

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

October 27, 2016

11:30 a.m.

NCHC – Wausau Campus

Present:

X	Randy Balk	X	Steve Benson	X	Ben Bliven
EXC	Jean Burgener	X	Holly Matucheski	X	Bill Metter
X	Bill Miller	X	Corrie Norrbom	X	Scott Parks
X	John Robinson	X	Greta Rusch	X	Robin Stowe
X	Bob Weaver	X	Jeff Zriny		

Others Present: Gary Olsen

Finance, Personnel & Property Committee Meeting was called to order at 11:35 a.m. by Committee Chair Weaver and the NCCSP Board meeting was called to order by Chairman Zriny at 11:35 a.m. for a Joint meeting of the North Central Community Services Program Board and Finance, Personnel & Property Committee meeting, roll call taken, and a quorum noted.

Public Comment for Matters Appearing on the Agenda

- No public comment made.

Resolution Honoring Joanne Kelly for her 21 Years of Services to the NCCSP Board

- Chairman Zriny recognized Ms. Kelly for her many years of service, read and presented the resolution and plaque on behalf of the NCCSP Board of Directors, thanking her for her dedication, commitment, and service to North Central Health Care and the community.

Finance, Personnel & Property Committee Report

- **Motion**/second, Balk/Stowe, to approve the 9/22/16 Finance, Personnel & Property Committee Meeting Minutes. Motion carried.
- Presentation and Review of the 2017 Budget
 - With an anticipated deficit this year staff worked hard to address financial and structural issues; strategic cost reductions were initiated in August, 2016.
 - 2017 Budget is balanced overall; however it is not balanced equally with a loss in the nursing home and a gain in the 51.42 operations.
 - We would like to hold a public hear in November immediately prior to the November Board meeting at which time the budget would be considered for adoption.
 - The organizational dashboard cascades to department dashboards with over a hundred metrics. The ability to retain staff is critical therefore the metric has been revised to look at retention rather than turnover. Board input is welcome on the changes to the organizational dashboard and metrics.
 - We continue to look for new revenue sources. Medicaid is a good payer in the vent unit, hospital, and community treatment program.
 - 12.5 FTE maintenance positions will be moving to Marathon County in 2017.
 - Marathon County will be paying for utilities for the entire organization in 2017. We will be contracting back for those services (\$1.6 million); will continue to include these expenses in our regular reporting.

- Lincoln County has increased their support by 3%. Marathon County's additional payment of \$475,000 for requested mental health services this year is being incorporated into next year's levy.
- There is no funding included for merit increases in 2017; although a wage modification for CNA's is included.
- Question was asked about lowering the stop loss coverage; felt the safety net is quite high at \$225,000. While it has not been economically supportable up to this point, it was requested to add this to the agenda for the Finance committee to review.
- Diversions can be attributed to many different situations. Additional funding for diversions were requested from Marathon County but was not approved. We anticipate the trend to continue and will be working to improve in this area; renovation of the hospital would have a positive impact on the number of diversions. Finance Committee would like to review additional breakdown/data on diversions.
- There are no additional dollars to build into the contingency fund; contingency and reserve funds are separate in that reserve funds increase from cash flow. Fund balance for each county is based on a percentage of equity and an update is sent to the counties each year in March. Bill Miller and John Robinson expressed concern that no contingency fund has been included in the 2017 proposed budget. The purpose of the reserve fund is we are trying to get to 90 days cash on hand (currently about 65 days now). If there is a cost overrun reserve funds can be considered. Considerable discussion followed regarding our internal controls, the process for using reserve funds and cash, and accountability to the three counties.
- Lincoln and Langlade County representatives indicated that because the nursing home is a Marathon County liability/responsibility and not part of the tri-county 51.42 system it must be kept separate from the 51 program budget. It was explained that the 51.42 board accepted the responsibility of managing the nursing home which is why it is part of NCHC. Anticipate the new Tri-County Agreement will include language about the management of the nursing home. There is currently a separate management agreement with Marathon County regarding the nursing home also.
- In regard to the Human Services Operations, Nursing Home Operations, and Support Services, each county should be presenting the needs of the community with NCCSP and moving forward it was suggested that there will be a new mechanism for input into the budget.
- An example of success in the human services operations would look like: 24/7 mobile crisis; expanded staffing to better reflect volumes i.e. assessments have increased from 1500, to 4000, to 6000 over the last 3 years, being a better resource to the community, improved availability with effectively getting individuals to the correct programs at the right cost.
- Law enforcement liaison was hired this week to help bridge the gap between law enforcement and crisis; a Crisis PI team continues to meet which is very involved and takes information back to their areas of expertise for continuous education. Ben Bliven added that law enforcement is not a subject matter expert and having a subject matter expert who can work with law enforcement is a good process and they are experiencing good results. Transporting individuals is not the desired outcome. Dr. Benson also added that most hospitals do not want to see patients who are suicidal.
- Crisis professionals are now bachelor level which increases cost of competency. Overall administration costs are shared however each county has designated staff.

- Reduction in levy for the Community Corner Clubhouse has slowed due to changing revenue sources. Hope to continue reduction in the future.
 - Demand Transportation and In-house Transportation will be combining administration of those programs to lower cost to each program.
 - Census is driving a loss in the nursing home; average census has reduced to 203 with a loss of over \$600,000 in revenue.
 - For capital improvement projects, items over \$30,000 goes through Marathon County and items under \$30,000 is covered by NCHC through designated cash for capital expenditures. Transfer of maintenance of NCHC was discussed. The main concern is the support for the regulatory requirements. Langlade County expressed concerned the building is maintained for all programs.
 - Staff was commended for preparing a very detailed budget proposal with extensive information; timing is right in conjunction with the new agreement, accountability, communication and buy-in.
 - Finance Committee is being asked to recommend the 2017 proposed budget to the Board and for the Board to review and recommend approval at its November 17 following a Public Hearing. Comments/input from Board can be relayed to Brenda Glodowski and/or Michael Loy by Nov. 4, 2016.
 - The Board is also being asked to provide direction in addressing the loss in the nursing home. Nursing home budget could be balanced if census is lowered which is in line with the forecast of continued declining census overall and the staffing crisis for direct care workers. Legacies by the Lake would remain the same at 100 beds, long term care and post-acute care would be reduced in half so the budget can be balanced. This would also have an impact on the nursing home capital improvement plan. Nursing Home Operations Committee will be discussing these items at its next meeting. Questions was asked by Marathon County wasn't making this decision, building a reserve fund for managing these good and bad cycles, and providing sufficient financial support.
 - **Motion**/second, Stowe/Weaver, to refer the balancing of the nursing home budget to the responsibility of the Nursing Home Operations Committee. Motion carried.
 - **Motion**/second, Miller/Stowe, to refer the 2017 Proposed Budget to the Board at its November 17, 2016 meeting. Motion carried.
- September Financials
 - Showed a gain of just under \$181,000.
 - Revenues showed improvement; benefits are in line; state institutes continue to show high costs.
 - **Motion**/second, Weaver/Balk, to approve September financials. Motion carried.

CFO Report

- All investments are secured.

Adjourn Joint Meeting with Finance, Personnel & Property Committee

- **Motion**/second, Weaver/Miller, to adjourn the Finance, Personnel & Property Committee meeting. Motion carried.

Jeff Zriny welcomed new board member, Dr. Corrie Norrbom, physician and active member in the community.

Consideration of 2017 Budget

- **Motion/Second**, Rusch/Metter, to recommend the 2017 Budget for Public Hearing and Consideration for Adoption at the November 17, 2016 NCCSP Board Meeting. Motion carried.

September Financials

- **Motion/second**, Balk/Weaver to approve the September financial statements. Motion carried.

September NCCSP Meeting Minutes

- **Motion/second**, Metter/Rusch, to approve the 9/22/16 NCCSP Board Minutes. Motion carried.

Chairman's Report and Announcements

- Observing the Tri-County Agreement discussions.

Executive Committee Report

- Marathon County Executive Committee will review the nursing home and pool in first quarter of 2017.
- Board appointments are complete with the addition of Dr. Norrbom.

Finance, Personnel & Property Committee Report

- Covered in Joint meeting.

Human Service Operations Committee Report

- Committee did not meet as there was no quorum. May need to revisit membership.

Nursing Home Operations

- Will defer report to next month.

Quality Committee Report

- Dashboard is included in your packet. No questions.

Medical Staff Credentialing

- **Motion/second**, Benson/Matucheski, to approve the reappointment of the following practitioners as recommended by the Medical Staff. Motion carried.
 - Robert Most
 - Wendell Bell
 - Chandra Shekar
 - Gabriel Ticho
 - Jean Baribeau-Anaya

CNA Recruitment-Retention Compensation Strategy

- Request to increase the CNA compensation for current staff was reviewed.
- With the marketplace highly competitive it is imperative to keep NCHC competitive.
- The 2017 proposed budget includes this increase.
- Medium wage for CNA's across the state is at \$15.21. The State is experiencing a shortage in workers. Some begin at \$13 with sign-on bonus. Our strategy is to retain staff with this strategy.

- Health insurance and general benefits are competitive; Wisconsin Retirement is a great benefit however, with the split in paying the benefit (employer/employee) it is difficult to sell this as a true benefit to this age bracket.
- Since new recruitment process was implemented we have seen an increase in applicants.
- **Motion**/second, Stowe/Matucheski, to implement the CNA Recruitment-Retention Compensation Strategy. Motion carried.

Update on Tri-County Agreement

- Marathon County Administrator spoke with the Executive Team and the entire Leadership Team which was well received and appreciated.
- A draft agreement has been proposed that Lincoln and Langlade Counties are reviewing.
- A counter proposal is being developed which should be available within 3-4 weeks.
- The main issue that Marathon County has pertains to accountability. The main points relate to how much control Marathon County or the three counties want to exercise over NCHC and what does it mean with affecting overall health care in this organization. Marathon County wants to create another layer of oversight above this Board. Lincoln and Langlade Counties would like to work within this Board. Marathon County wants a 5-year agreement and every 5 years the three county boards would approve the agreement; if agreement is not approved it would trigger the 1-year calendar withdrawal process.

Update on Investigation

- The investigation was prompted by an anonymous letter that was distributed at a Marathon County Board meeting.
- Following the last board meeting NCHC hired an independent reviewer who interviewed 30+ people and provided a report indicating accusations in the letter were unfounded.
- The State of Wisconsin also arrived at NCHC within a week to investigate the information in this letter and no findings or citations were received relating to the letter.
- The following week another unannounced state surveyor arrived and completed an additional survey related to the letter. There was one citation for better documentation. No penalties were received.
- The results of three different investigations are consistent in that the accusations in the letter are largely unfounded.
- Marathon County Health & Human Services Chairman, Matt Bootz, requested and is working with Jeff Zriny and John Fisher under the Collaborative Care Quality Committee. John Fisher will prepare a comprehensive document for the Board to review. Mr. Bootz feels sense of obligation as chair of Health and Human Services to report to that committee and states he has received independent calls to investigate.
- This process does not come without substantial cost.

2016 Operational Objective Progress

- Discussion deferred.

Amend the NCCSP Bylaws to Include the Collaborative Care Quality Committee

- **Motion**/second, Robinson/Stowe, to approve the modification to the bylaws to include Article 7, Sections 7.1 and 7.2 to add the Collaborative Care Committee as a Standing Committee of the NCCSP Board as Presented. Motion carried.

CEO Report

- Annual nursing home survey was just completed and results will be reviewed at the Nursing Home Operations Committee. A citation was received based on the discussion in the closed session of the Board last month.
- Unannounced survey began yesterday for our residential sites.
- Feel that with the complaints and new leadership the State is doing their due diligence to make sure NCHC is doing things correctly. Staff, in general, is survey fatigued.
- In November the Board is slated to hold their meeting in Merrill. It was agreed that the Merrill meeting will be held in December in the interest of our annual meeting and public hearing in November.

Future agenda items

- No new items noted.

Motion/second, Metter/Benson, to adjourn the meeting at 2:09 p.m. Motion carried.

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