

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

A meeting of the **North Central Community Services Program Board** will be held at **North Central Health Care, 1100 Lake View Drive, Wausau, WI 54403, Wausau Board Room** at **12:00 PM** on **Thursday, January 28<sup>th</sup>, 2016**.

*(In addition to attendance in person at the location described above, Committee members and the public are invited to attend by telephone conference. Persons wishing to attend the meeting by phone should contact Debbie Osowski at 715-848-4405 24 hours prior to the start time of the meeting for further instructions.)*

**AGENDA**

1. Call to order
  2. Introduction – new member Randy Balk
  3. Roll Call
  4. Consent Agenda
    - a. December financial statements
    - b. 12/17/15 Finance, Personnel & Property Committee meeting minutes
    - c. 12/17/15 Board meeting minutes
    - d. CEO Report
  5. Chairperson’s report: J. Zriny
    - a. Action: approve report and minutes of the 01/12/16 Executive Committee meeting
  6. Quality Committee report: E. Penniman
    - a. Action: approve Organizational Quality Dashboard
    - b. Action: approve 2016 Quality Plan
    - c. Action: approve 2016 Compliance Plan
    - d. Crisis Process Improvement update – B. Schultz, L. Scudiere, L. Shipway
  7. Financial report: B. Glodowski
  8. Finance, Personnel & Property Committee report
  9. Human Services Operations Committee (HSOC) report: J. Robinson
  10. Nursing Home Operations Committee (NHOC) report: J. Burgener
    - a. Action: approve minutes of 12/18/15 NHOC meeting
  11. Presentation on Dementia Care – Cagney Martin, Merry Wimmer
  12. Discussion of Marathon County Resolution #R-8-16: Approving Steps Toward Withdrawal of Marathon County from the Tri-County contract which creates the North Central Community Services Program Board and Termination of Marathon County’s Relationship with North Central Health Care
  13. MOTION TO GO INTO CLOSED SESSION, pursuant to §19.85(1)(c) Wis. Stats. for the purpose of considering employment, promotion, compensation or performance evaluation of any public employee over which the governmental body has jurisdiction or exercises responsibility, to wit: CEO Recruitment and Transition Plan.
  14. MOTION TO RETURN TO OPEN SESSION, report out and possible action on closed session item(s).
  15. Future agenda items for committee consideration
  16. Adjourn
- If time permits, beginning discussions may take place on future agenda items.  
- 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  
Lincoln & Marathon County Clerk Offices

**THIS NOTICE POSTED AT:**

North Central Health Care  
DATE: 01/22/16                      TIME: 4:00 PM  
By: Debbie Osowski

DATE: 01/22/16                      TIME: 4:00 PM  
VIA: X FAX                              X MAIL  
BY: D. Osowski

Any person planning to attend this meeting who needs some type of special accommodation in order to participate should call the Administrative Office at 715-848-4405. For TDD telephone service call 715-845-4928.



## MEMO

**TO:** North Central Health Care Finance Committee  
**FROM:** Brenda Glodowski  
**DATE:** January 22, 2016  
**RE:** Attached Financials

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

### **BALANCE SHEET**

As was reviewed at the Finance Committee meeting last month, there is a new guideline, GASB 68: Accounting and Reporting for Pensions, that needs to be incorporated into the audit report. This reporting change has been incorporated into the preliminary Balance Sheet.

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

The month of December shows a gain of \$256,529 compared to a budgeted loss of (\$81,995) resulting in a positive variance of \$338,524.

The hospital census averaged just over 11 patients per day, which is lower than previous months. The target for the hospital census is 13 per day. The nursing home census averaged just under 209 per day, which is an improvement over the prior months. The target is 213 per day. The Medicare census also improved, averaging a census of 23 per day. The target is 26 per day.

There were some settlements received in December for prior year cost reports and the annual WIMCR (Wisconsin Medicaid Cost Reporting) program which contributed to approximately \$400,000 of revenue. The third and fourth quarter nursing home Medicaid rate adjustment was received, which results in a receivable of over \$75,000. Also, the yearend settlement is recorded for NCHC's managing the LVPP building. The agreement that is in place with Marathon County for this is to record the revenue in Marathon County Appropriation so the proceeds flow back into their fund balance. This is \$163,000 for 2015.

Overall expenses were significantly over budget for December. Some areas that exceeded budget targets were recruitment by \$45,000, staffing contracts by \$174,000, state institutes by \$136,000, psychiatry contracts by \$57,000, equipment rental by \$19,000, drugs by \$75,000, and contracted services by \$56,000. Other overages, such as supplies, were scattered throughout different programs.

The preliminary year end results show an overall gain \$662,556. These are preliminary financial reports and may change a bit while working through the audit process.

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

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

	<u>51.42/.437</u> <u>PROGRAM</u>	NURSING <u>HOME</u>	<u>TOTAL</u>	<u>TOTAL</u> <u>31-Dec-14</u>
<b>Current Assets:</b>				
Cash and Equivalents	5,659,863	93,078	5,752,942	5,783,548
Short-Term Investments	9,800,000		9,800,000	8,043,885
Cash Approved for Capital Purchases	1,383,364	302,864	1,686,228	1,256,115
Donated Funds	159,689		159,689	183,269
<b>Accounts Receivable:</b>				
Patient - Net	4,125,257	3,719,198	7,844,454	7,829,361
State Grants	106,642		106,642	79,848
Other	1,381,320		1,381,320	577,507
Appropriations Receivable	69,173		69,173	0
Amounts Receivable From Third-Party Reimbursement Programs	475,000		475,000	1,371,000
Inventory	46,880	256,902	303,782	273,822
Other	<u>220,249</u>	<u>64,904</u>	<u>285,153</u>	<u>95,201</u>
Total Current Assets	<u>23,427,438</u>	<u>4,436,945</u>	<u>27,864,383</u>	<u>25,493,555</u>
<b>Noncurrent Assets:</b>				
Capital Assets	31,018,802	14,907,992	45,926,793	43,594,303
Accumulated Depreciation	<u>(22,935,282)</u>	<u>(10,986,415)</u>	<u>(33,921,697)</u>	<u>(32,348,237)</u>
Capital Assets - Net	8,083,520	3,921,577	12,005,097	11,246,066
Restricted Assets - Patient Trust Funds	25,900	40,359	66,259	56,276
Net Pension Assets	<u>4,846,938</u>	<u>0</u>	<u>4,846,938</u>	<u>0</u>
Total Noncurrent Assets	<u>12,956,359</u>	<u>3,961,935</u>	<u>16,918,294</u>	<u>11,302,342</u>
Deferred Outflows of Resources - Related to Pensions	<u>4,851,842</u>	<u>0</u>	<u>4,851,842</u>	<u>0</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>	<u>41,235,638</u>	<u>8,398,881</u>	<u>49,634,519</u>	<u>36,795,897</u>

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

	<u>51.42/.437</u> <u>PROGRAM</u>	<u>NURSING</u> <u>HOME</u>	<u>TOTAL</u>	<u>TOTAL</u> <u>31-Dec-14</u>
<b>Current Liabilities:</b>				
Accounts Payable	3,039,432	0	3,039,432	2,978,855
Third Party Payable	350,000	0	350,000	426,000
Appropriations Advances	0	0	0	0
<b>Accrued Liabilities:</b>				
Salaries and Retirement	1,417,581	0	1,417,581	1,211,993
Payroll Taxes and Withholdings	172,397	0	172,397	155,584
Compensated Absences	1,491,802	0	1,491,802	1,525,752
Other Payables	71,380	0	71,380	72,806
Deferred Revenue - State Grants	<u>1,140,065</u>	<u>0</u>	<u>1,140,065</u>	<u>686,444</u>
Total Current Liabilities	<u>7,682,658</u>	<u>0</u>	<u>7,682,658</u>	<u>7,057,434</u>
<b>Noncurrent Liabilities:</b>				
Patient Trust Funds	<u>25,900</u>	<u>40,359</u>	<u>66,259</u>	<u>56,195</u>
Total Liabilities	<u>7,708,559</u>	<u>40,359</u>	<u>7,748,917</u>	<u>7,113,629</u>
Deferred Inflows of Resources - Related to Pensions	<u>84,873</u>	<u>0</u>	<u>84,873</u>	<u>0</u>
<b>Net Assets:</b>				
Invested in Capital Assets	8,083,520	3,921,577	12,005,097	11,246,066
Unrestricted	14,619,509	4,910,053	19,529,563	17,797,734
Restricted - Pension Benefit	9,603,512	0	9,603,512	0
Operating Income / (Loss)	<u>1,135,665</u>	<u>(473,108)</u>	<u>662,557</u>	<u>638,469</u>
Total Net Assets	<u>33,442,206</u>	<u>8,358,522</u>	<u>41,800,729</u>	<u>29,682,268</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET ASSETS</b>	<u>41,235,638</u>	<u>8,398,881</u>	<u>49,634,519</u>	<u>36,795,897</u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING DECEMBER 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	\$4,353,871	\$3,463,264	\$890,607	\$42,503,543	\$41,432,100	\$1,071,443
Other Revenue:						
State Match / Addendum	325,773	325,120	654	3,901,436	3,901,436	(0)
Grant Revenue	236,827	184,111	52,716	2,424,060	2,208,489	215,571
County Appropriations - Net	899,810	730,192	169,618	8,998,367	8,762,305	236,062
Departmental and Other Revenue	<u>177,629</u>	<u>180,659</u>	<u>(3,029)</u>	<u>2,022,525</u>	<u>2,167,900</u>	<u>(145,375)</u>
Total Other Revenue	<u>1,640,040</u>	<u>1,420,081</u>	<u>219,958</u>	<u>17,346,388</u>	<u>17,040,130</u>	<u>306,258</u>
Total Revenue	5,993,910	4,883,346	1,110,565	59,849,930	58,472,230	1,377,700
Expenses:						
Direct Expenses	4,283,967	3,534,585	749,382	44,051,120	41,606,219	2,444,901
Indirect Expenses	<u>1,465,952</u>	<u>1,438,254</u>	<u>27,698</u>	<u>15,279,814</u>	<u>16,956,011</u>	<u>(1,676,197)</u>
Total Expenses	<u>5,749,919</u>	<u>4,972,839</u>	<u>777,080</u>	<u>59,330,934</u>	<u>58,562,230</u>	<u>768,704</u>
Operating Income (Loss)	<u>243,991</u>	<u>(89,493)</u>	<u>333,484</u>	<u>518,996</u>	<u>(90,000)</u>	<u>608,996</u>
Nonoperating Gains (Losses):						
Interest Income	8,469	7,500	969	78,556	90,000	(11,444)
Donations and Gifts	4,069	0	4,069	50,027	0	50,027
Gain / (Loss) on Disposal of Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>14,977</u>	<u>0</u>	<u>14,977</u>
Total Nonoperating Gains / (Losses)	<u>12,538</u>	<u>7,500</u>	<u>5,038</u>	<u>143,560</u>	<u>90,000</u>	<u>53,560</u>
Operating Income / (Loss)	<u>\$256,529</u>	<u>(\$81,993)</u>	<u>\$338,522</u>	<u>\$662,556</u>	<u>\$0</u>	<u>\$662,556</u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING DECEMBER 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>
Revenue:						
Net Patient Service Revenue	<u>\$1,878,800</u>	<u>\$1,421,583</u>	<u>\$457,217</u>	<u>\$17,874,052</u>	<u>\$17,239,500</u>	<u>\$634,552</u>
Other Revenue:						
State Match / Addendum	325,773	325,120	654	3,901,436	3,901,436	(0)
Grant Revenue	236,827	184,111	52,716	2,424,060	2,208,489	215,571
County Appropriations - Net	758,144	588,525	169,619	7,298,374	7,062,305	236,069
Departmental and Other Revenue	<u>151,942</u>	<u>145,825</u>	<u>6,117</u>	<u>1,521,123</u>	<u>1,749,901</u>	<u>(228,778)</u>
Total Other Revenue	<u>1,472,686</u>	<u>1,243,581</u>	<u>229,105</u>	<u>15,144,993</u>	<u>14,922,131</u>	<u>222,862</u>
Total Revenue	3,351,486	2,665,164	686,322	33,019,045	32,161,631	857,414
Expenses:						
Direct Expenses	2,404,356	1,949,972	454,384	24,142,923	22,909,906	1,233,017
Indirect Expenses	<u>807,828</u>	<u>792,390</u>	<u>15,438</u>	<u>7,877,182</u>	<u>9,341,725</u>	<u>(1,464,543)</u>
Total Expenses	<u>3,212,184</u>	<u>2,742,362</u>	<u>469,822</u>	<u>32,020,105</u>	<u>32,251,631</u>	<u>(231,526)</u>
Operating Income (Loss)	<u>139,303</u>	<u>(77,198)</u>	<u>216,500</u>	<u>998,940</u>	<u>(90,000)</u>	<u>1,088,940</u>
Nonoperating Gains (Losses):						
Interest Income	8,469	7,500	969	78,556	90,000	(11,444)
Donations and Gifts	3,825	0	3,825	43,192	0	43,192
Gain / (Loss) on Disposal of Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>14,977</u>	<u>0</u>	<u>14,977</u>
Total Nonoperating Gains / (Losses)	<u>12,294</u>	<u>7,500</u>	<u>4,794</u>	<u>136,725</u>	<u>90,000</u>	<u>46,725</u>
Operating Income / (Loss)	<u>\$151,597</u>	<u>(\$69,698)</u>	<u>\$221,294</u>	<u>\$1,135,665</u>	<u>\$0</u>	<u>\$1,135,664</u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING DECEMBER 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>
Revenue:						
Net Patient Service Revenue	<u>\$2,475,071</u>	<u>\$2,041,681</u>	<u>\$433,390</u>	<u>\$24,629,491</u>	<u>\$24,192,600</u>	<u>\$436,891</u>
Other Revenue:						
County Appropriations - Net	141,666	141,667	(1)	1,699,993	1,700,000	(7)
Departmental and Other Revenue	<u>25,687</u>	<u>34,833</u>	<u>(9,146)</u>	<u>501,402</u>	<u>417,999</u>	<u>83,403</u>
Total Other Revenue	<u>167,353</u>	<u>176,500</u>	<u>(9,147)</u>	<u>2,201,395</u>	<u>2,117,999</u>	<u>83,396</u>
Total Revenue	2,642,423	2,218,181	424,243	26,830,886	26,310,599	520,287
Expenses:						
Direct Expenses	1,879,611	1,584,613	294,998	19,908,197	18,696,313	1,211,884
Indirect Expenses	<u>658,124</u>	<u>645,864</u>	<u>12,260</u>	<u>7,402,632</u>	<u>7,614,286</u>	<u>(211,654)</u>
Total Expenses	<u>2,537,735</u>	<u>2,230,477</u>	<u>307,258</u>	<u>27,310,829</u>	<u>26,310,599</u>	<u>1,000,230</u>
Operating Income (Loss)	<u>104,688</u>	<u>(12,296)</u>	<u>116,984</u>	<u>(479,944)</u>	<u>(0)</u>	<u>(479,944)</u>
Nonoperating Gains (Losses):						
Interest Income	0	0	0	0	0	0
Donations and Gifts	244	0	244	6,836	0	6,836
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>244</u>	<u>0</u>	<u>244</u>	<u>6,836</u>	<u>0</u>	<u>6,836</u>
Operating Income / (Loss)	<u>\$104,932</u>	<u>(\$12,296)</u>	<u>\$117,228</u>	<u>(\$473,108)</u>	<u>(\$0)</u>	<u>(\$473,108)</u>

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

BANK	LENGTH	MATURITY DATE	INTEREST RATE	AMOUNT
Abby Bank	183 Days	01/05/2016	0.65%	\$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	365 Days	07/19/2016	0.75%	\$500,000
People's State Bank	365 Days	08/21/2016	0.50%	\$500,000
BMO Harris	395 Days	08/26/2016	0.50%	\$500,000
Abby Bank	365 Days	08/29/2016	0.75%	\$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
People's State Bank	365 Days	10/30/2016	0.55%	\$500,000
Abby Bank	730 Days	02/25/2017	0.80%	\$500,000
CoVantage Credit Union	455 Days	03/30/2017	1.00%	\$500,000
CoVantage Credit Union	578 Days	05/07/2017	1.05%	\$500,000
CoVantage Credit Union	578 Days	07/28/2017	1.10%	\$300,000
Abby Bank	730 Days	10/29/2017	1.10%	\$500,000
CoVantage Credit Union	730 Days	11/18/2017	1.10%	\$500,000
Abby Bank	730 Days	12/30/2017	1.10%	\$500,000
TOTAL FUNDS AVAILABLE				\$9,800,000
WEIGHTED AVERAGE		483.15 Days	0.786% INTEREST	



# NCHC-DONATED FUNDS

## Balance Sheet

As of December 31, 2015

### ASSETS

#### Current Assets

#### Checking/Savings

#### CHECKING ACCOUNT

Adult Day Services	5,180.38
Adventure Camp	798.41
Birth to 3 Program	2,035.00
Clubhouse	22,254.79
Community Treatment	10,666.86
Fishing Without Boundries	2,663.00
General Donated Funds	69,565.35
Housing - DD Services	1,370.47
Langlade HCC	3,226.33
Legacies by the Lake	
Music in Memory	1,848.25
Legacies by the Lake - Other	4,272.11
Total Legacies by the Lake	6,120.36
Marathon Cty Suicide Prev Task	11,850.53
National Suicide Lifeline Stipe	3,176.37
Northern Valley West	1,966.00
Nursing Home - General Fund	2,639.26
Outpatient Services - Marathon	101.08
Pool	12,201.69
Prevent Suicide Langlade Co.	2,444.55
Resident Council	111.05
United Way	1,159.34

Total CHECKING ACCOUNT 159,530.82

Total Checking/Savings 159,530.82

Total Current Assets 159,530.82

**TOTAL ASSETS 159,530.82**

### LIABILITIES & EQUITY

#### Equity

Opening Bal Equity	123,523.75
Retained Earnings	59,745.02
Net Income	-23,737.95

Total Equity 159,530.82

**TOTAL LIABILITIES & EQUITY 159,530.82**

## North Central Health Care Budget Revenue/Expense Report

Month Ending December 31, 2015

ACCOUNT DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	YTD ACTUAL	YTD BUDGET	DIFFERENCE
<b><u>REVENUE:</u></b>					
TOTAL NET REVENUE	5,993,910	4,883,346	59,849,930	58,472,230	1,377,700
<b><u>EXPENSES:</u></b>					
Salaries and Wages	2,629,608	2,482,220	28,098,458	29,066,697	(968,239)
Fringe Benefits	886,451	1,010,376	10,739,999	11,832,000	(1,092,001)
Departments Supplies	644,401	432,217	6,503,099	5,180,100	1,322,999
Purchased Services	407,053	278,725	4,122,505	3,330,700	791,805
Utilitites/Maintenance Agreements	578,859	320,488	4,254,568	3,766,574	487,994
Personal Development/Travel	43,867	40,350	437,062	484,200	(47,138)
Other Operating Expenses	180,300	172,987	1,590,555	2,075,859	(485,304)
Insurance	38,870	48,258	502,180	579,100	(76,920)
Depreciation & Amortization	180,802	137,216	1,730,582	1,647,000	83,582
Client Purchased Services	<u>159,707</u>	<u>50,000</u>	<u>1,351,927</u>	<u>600,000</u>	<u>751,927</u>
<b>TOTAL EXPENSES</b>	<b>5,749,919</b>	<b>4,972,838</b>	<b>59,330,934</b>	<b>58,562,230</b>	<b>768,704</b>
<b>EXCESS REVENUE (EXPENSE)</b>	<b>243,991</b>	<b>(89,493)</b>	<b>518,996</b>	<b>(90,000)</b>	<b>608,996</b>

**North Central Health Care  
Write-Off Summary  
December 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	\$12,922	\$174,044	\$26,892
Bad Debt	\$0	\$2,558	\$4,274
<b><i>Outpatient:</i></b>			
Administrative Write-Off	\$18,637	\$163,475	\$112,419
Bad Debt	\$713	\$4,489	\$20,291
<b><i>Nursing Home:</i></b>			
Daily Services:			
Administrative Write-Off	(\$6,500)	\$33,875	\$16,755
Bad Debt	\$17,987	\$43,296	\$12,626
Ancillary Services:			
Administrative Write-Off	(\$26,772)	\$35,833	\$15,335
Bad Debt	\$978	\$1,393	\$11,128
<b>Pharmacy:</b>			
Administrative Write-Off	\$0	\$0	\$0
Bad Debt	\$0	\$0	\$0
<b>Total - Administrative Write-Off</b>	(\$1,713.11)	\$407,226.15	\$171,401.00
<b>Total - Bad Debt</b>	\$19,676.82	\$51,735.52	\$48,319.00

**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	6,390	6,115	(275)	88.75%	84.93%
	Hospital	390	420	30	81.25%	87.50%
<b>July</b>	Nursing Home	6,603	6,380	(223)	88.75%	85.75%
	Hospital	403	428	25	81.25%	86.29%
<b>August</b>	Nursing Home	6,603	6,604	1	88.75%	88.76%
	Hospital	403	436	33	81.25%	87.90%
<b>September</b>	Nursing Home	6,390	6,257	(133)	88.75%	86.90%
	Hospital	390	455	65	81.25%	94.79%
<b>October</b>	Nursing Home	6,603	6,415	(188)	88.75%	86.22%
	Hospital	403	497	94	81.25%	100.20%
<b>November</b>	Nursing Home	6,390	6,227	(163)	88.75%	86.49%
	Hospital	390	439	49	81.25%	91.46%
<b>December</b>	Nursing Home	6,603	6,464	(139)	88.75%	86.88%
	Hospital	403	347	(56)	81.25%	69.96%

**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		61	62	62	60	61	62	60	58	53	54	62	53	61
Operating		48	36	33	47	46	46	40	31	41	43	31	27	31
Total	70	109	98	95	107	107	108	100	89	94	97	93	80	92
<b>Average Daily Census:</b>														
Nursing Home	213	210	215	213	205	203	204	206	213	209	207	207	209	208
Hospital	13	13	16	14	13	14	14	14	14	15	16	14	11	14
<b>Days in Accounts Receivable:**</b>	55-60 days	80	79	75	72	71	67	67	66	63	65	66	68	68
<b>Direct Expense/Gross Patient Revenue**</b>	55%-59%	61%	51%	59%	62%	65%	60%	65%	69%	65%	61%	65%	75%	63%
<b>Write Offs**</b>	.5%-.6%	0.18%	0.27%	0.32%	0.16%	0.59%	0.42%	0.46%	1.20%	1.30%	1.90%	2.10%	0.36%	0.60%
<b>Excess Revenue (Expense):</b>														
Actual		\$10,895	\$590,281	\$28,969	\$107,200	\$287,468	\$550,567	(\$427,189)	(\$385,697)	(\$188,447)	(\$251,721)	\$83,701	\$256,529	\$662,556
Budget		\$56,970	\$117,322	(\$12,015)	\$57,582	(\$82,358)	\$62,582	(\$9,938)	(\$46,385)	(\$687)	(\$22,938)	(\$38,136)	(\$81,994)	\$0
Prior Year-Actual		\$124,183	\$12,296	\$31,615	(\$294,589)	(\$17,820)	\$258,622	(\$46,087)	\$41,912	\$236,191	(\$256,783)	\$228,748	\$320,180	\$638,468

\*\*Dash Board Outcomes

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

December 17, 2015

11:00 a.m.

NCHC – Wausau Campus

Present:

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

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

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

Minutes

**Motion**/second, Nye/Robinson, to approve the minutes of the 11/19/15 Finance, Personnel & Property Committee meeting. Motion carried.

Financials

- Investments increased.
- Accounts receivable was up slightly which was anticipated with ICD-10 implementation on 10/1/15.
- NetSmart has been onsite working on the billing system; billing has been caught up through October. NetSmart will return the week of January 18.
- Revenues:
  - Showed a small gain for the month of November; revenues were close to target.
  - Nursing home consistent with 207 census.
  - Medicare census increased to 21 with target of 26; today average is 23.
  - Hospital average is at 14 with a target of 13.
  - Overall revenue is slightly above target.
- Expenses:
  - Expenses were over budget for several months but there has been improvement.
  - Salaries overall are close to budget.
  - Expenses are down in support areas.
  - Expenses overall are below target.
  - Direct areas include additional positions for criminal justice system.
  - Contracted expenses will be finishing up in the nursing home.
- **Motion**/second, Nye/Zriny, to approve the monthly financial statements. Motion carried.

Write-offs

- Anticipate December could be higher as compared to previous two months; much work continues to be done to clean up however, numbers are small.

- Changing from private pay to Medicaid is a challenge in the nursing home; educating families on the process is an important step for a timely transition; one staff member in enrollment services is dedicated to assist families with the applications and process.

#### CFO report

- Associated Bank is requesting a verification of 'authorized signatures' on our accounts.
- **Motion**/second, Zriny/Weaver, to approve the CFO and CEO as the authorized signers for the NCHC bank accounts. CFO may also designate Business Operations Director on some accounts. Motion carried.
- Working with the IT consultant; anticipating their recommendations in mid-January.

#### Financial targets for 2016 Dashboard

- Full review of the Dashboard will be provided in the Board meeting today.
- Two target changes for 2016 are being recommended:
  - Direct Expense/Gross Revenue: 58-62. Based on budget, higher than 2015 targets.
  - Days in Accounts Receivable currently is 55-60 days; based on industry standard. Our current target is 66.
- **Motion**/second, Zriny/Weaver, to approve the changes in targets for: Days in AR to 60-65, and 58-62 for Direct Expense/Gross Revenue. Motion carried.

#### 2015 employee incentives

- Incentive program criteria was reviewed and discussed.
- **Motion**/second, Olkowski/Nye, there will not be an employee incentive provided as the criteria has not been met. Motion carried.

#### 2015 Audit Report GASB 68

- Governmental Accounting Standards Board 68 (GASB 68) has a required change regarding pension and reporting.
- Audit report will show 10 years' worth of information.

#### Drill down data on state institutions

- Defer review and presentation at Board meeting

#### Future agenda items

- Committee and Board orientation relative to fund balances and appropriations
- Marathon County Board education i.e. 'walk through financials'

**Motion**/second, Zriny/Weaver, to adjourn at 11:45 a.m. Motion carried.

*dko*

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

December 17, 2015

12:00 p.m.

NCHC – Wausau Board Room

Present:

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

Also Present: Gary Bezucha, Brenda Glodowski, Kim Gochanour, Michael Loy, Becky Schultz, Debbie Osowski

Meeting was called to order at 12:02 p.m.

Consent Agenda

- **Motion**/second, Penniman/Metter, to approve the consent agenda which includes the November financial statements, 11/19/15 Finance, Personnel & Property Committee meeting minutes, the 11/19/15 Board meeting minutes, and the CEO Report. Motion carried.

Chairperson's Report

- **Motion**/second, Nye/Burgener, to approve the report and minutes of the 12/8/15 Executive Committee meeting including the 2016 members of the Executive Committee i.e. Jeff Zriny, Chair, Jean Burgener, Vice-Chair, Bob Weaver, Secretary/Treasurer, and Ron Nye, Immediate Past Board Chair. Motion carried.

Quality Committee Report

- Organizational Quality Dashboard was reviewed.
  - Outcome Action Plan for Adverse Event Rate was reviewed.
  - Satisfaction Survey results are trending in the right direction.
  - Community Partner Satisfaction Survey results for last quarter rates us 90% excellent/good.
  - Access measure continues to be an opportunity specifically in aquatic services and outpatient services in Wausau.
  - Days in Accounts Receivable increased slightly with the implementation of ICD 10 coding on 10/1/15.
- **Motion**/second, Scudiere/Rusch, to approve the Organizational Quality Dashboard. Motion carried.



### Financial Report

- Saw a gain in November just over \$83,000; \$121,000 ahead of target.
- Revenues held consistent with target.
- Expenses have dropped.
- Year to Date we are at a \$406,000 gain; \$324,000 ahead of target through November.

### Finance, Personnel & Property Committee report

- Committee approved the CFO and CEO as authorized signers for the NCHC bank accounts.
- Reviewed information about the Governmental Accounting Standards Board 68 (GASB 68) required change regarding pension and reporting.
- Discussed financial targets.
- Committee recommends as new board members are appointed education on fund reporting be included in their orientation.
- **Motion**/second, Matucheski/Scudiere, to approve the Finance, Personnel & Property Committee report. Motion carried.

### Human Services Operations Committee report

- Committee has struggled all year to have meetings; Committee felt it was important and agreed to monthly meetings in 2016.
- An update on the Psychiatry Residency Program was provided in the CEO Report.
- The County will be receiving proposals to truth-test the numbers on the aquatic pool study and anticipate advancing the project.
- Criminal justice initiatives were discussed at length. Lincoln County has indicated they are pleased with the services NCHC provides. Marathon County expectations were discussed.
- Outpatient time parameters were discussed based on conversations with Judges and DA's. NCHC is doing everything they can to bring staffing to a full complement to meet the desired levels.

### Nursing Home Operations Committee

- Losing key leadership and cost of interim leadership has been costly.
- Committee recognizes that NCHC is not attracting Medicare patients; Committee will discuss impacts of losing Medicare base on NCHC and the community.
- Charter is being reviewed and updated.
- Asking staff to provide the Dementia Care presentation in January which was given to the State Task Force.
- **Motion**/second, Burgener/Nye, to approve the 11/19/15 minutes of the Nursing Home Operations Committee. Motion carried.

### Update on hospital diversions

- Presentation on NCHC Admission to State Institutions April 1 – September 30, 2015
  - Less than 5% of admissions come from other counties.
  - Contracts with others counties to provide emergency services are in place because it is required to have a secondary resource.
  - When census reaches a threshold we do not admit from other counties.
  - Capacity may be met at varying levels based on the individuals already admitted i.e. teenager occupies a double room which eliminates admitting another individual for that room; someone with high needs may not be able to have a roommate, etc.
  - Length of stay is under review in an effort to improve capacity on the unit.
  - Ambulatory Detox has been re-opened with the use of contract staffing to move detox patients off of inpatient unit.
  - Psychiatry services have been increased in Community Treatment to help alleviate use of inpatient services.
  - Multi-disciplinary team interventions in place to reduce length of stay and improve continuity of care moving from inpatient to outpatient.
  - Medically Monitored Treatment (MMT) program opened in July is full with a waiting list of 70 (and growing).
  - Exploring a gero-psychiatric long term care service; may change the plan of renovation for nursing home.
  - Remodeling the inpatient unit (increase private rooms) would improve capacity.
  - Discuss with law enforcement the use of the current community treatment model with the criminal justice system.

### 2016 Operational Plan

- 2016 Operation Plan is built on three critical priority areas: Service Excellence, Behavioral Health Center of Excellence, and Electronic Medical Record Interoperability (see attached presentation). Note: a forensic component is also a need in the community but not included in this presentation.
- Updates will be provided quarterly.

### CEO Recruitment

- Consultants have talked with the Executive Committee, core leadership, executive team, a physician group, and Gary. They are also scheduled to meet with county leadership (highest level of appointed and elected officials of each county).
- Executive Committee will be kept fully apprised as the process progresses.
- Job description will be updated and approved in early January; then 6-8 weeks before seeing candidates.

### Marathon County Performance Contract

- Proposed performance contract is primarily related to criminal justice program.
- No performance measures are included; feel 2016 will be used as a baseline year to create measures in subsequent years.

#### Resignation of Laura Scudiere

- **Motion**/second, Olkowski/Burgener, to accept the resignation of Laura Scudiere and expressed gratitude for her participation and service to the board. Motion carried.

#### Marathon County Task Force Update

- Hiring of mental health professionals to fill vacant positions is needed to fulfill the requirements requested.
- Concern expressed that NCHC was measured from a criminal justice perspective rather than a community needs perspective.
- Next meeting to be held Dec. 30 at 5:30 p.m. in the Courthouse.
- RFP for an analysis of operations of NCHC mental health and nursing home services had no responses. The RFP may be split into two parts: Governance and Needs Assessment, and sent out again.
- Concern expressed that decisions will be made without a full understanding of the operations.
- 2008 Tri-County Agreement remains in effect until Marathon County updates the agreement when the Task Force is finished.

#### Recognition

- A plaque was presented to Ron Nye in recognition of his service to NCHC as Board Chair.
- Lee Olkowski was presented with a plaque in recognition of his years of service and commitment to NCHC.

#### Future agenda items for consideration

- None noted.

**Motion**/second, Robinson/Penniman, to adjourn the meeting at 1:30 p.m. Motion carried.

*Minutes prepared by Debbie Osowski, Executive Assistant*

## CEO Report: January, 2016

- 1. Psychiatry Residency Program:** The application to ACGME has been filed and approved. We are scheduled for a site visit on February 23, 2016. Having never gone through one of these site visits I am not quite sure what to expect. However, Dr. Carl Chan, who has gone through many of these, assures me we are quite prepared. If the site visit goes well we will be approved to participate in this year's match for residents who will begin their residency in July of 2017.
- 2. 2016 Operational Plan:** The operational plan that was presented at the December meeting is being loaded into a format similar to what we used last year. Under each strategy there will be multiple tactical actions along with quarterly reports on progress or obstacles. We hope to have a draft of that format prepared for this month's board meeting.
- 3. Response of NCHC staff and Leadership to Actions by Marathon County:** I feel obligated to call your attention to the outstanding and admirable manner in which the leadership and staff of NCHC conducted themselves in the face of a very trying week in which the quality of the care they deliver and even their integrity was called in to question in a series of anecdotal, unfair, and in many cases, inaccurate depictions of how they provide services. I am quite proud of the manner in which they responded. They did not become defensive in the face of unfair accusations. They stayed above the fray and kept doing their jobs in the same exemplary manner in which they always do. In the spirit of our core value of "Continuous Improvement", they were willing to look critically at themselves and the care they provide where there were true and accurate accounts of failure to provide the best care. They also demonstrated themselves to be dedicated and effective advocates for NCHC. They participated in great numbers in the political process by contacting elected officials to provide true and accurate information to counteract conjecture and emotional appeals. I have never been prouder of our staff. They are to be commended.

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

**January 12, 2016**

**10:30 AM**

**NCHC – Wausau Campus**

PRESENT: Jeff Zriny, Ron Nye, Bob Weaver, Jean Burgener (via telephone)

ALSO PRESENT: Gary Bezucha, Michael Loy

## **AGENDA:**

1. The meeting was called to order by Jeff Zriny at 10:33 AM and a quorum was noted.
2. Minutes of the 12/18/15 Executive Committee meeting: moved for approval by Ron Nye, seconded by Bob Weaver and approved unanimously without any changes.
3. CEO Search Update: Michael Loy provided an update on the CEO search process:
  - a. Opportunity has been provided for leadership of each of the three counties to have input into the process. Lincoln and Langlade Counties' input was confirmed. Michael was not sure if Marathon County had provided input.
  - b. Draft of the position profile was reviewed and several changes were recommended. Michael Loy will incorporate those changes into the document; send the amended document out to all Executive Committee members for final approval before returning the final version to Witt/Keiffer.
4. CEO Report:
  - a. Psychiatry residency application to ACGME approved and a site visit is scheduled for February 23, 2016.
  - b. In the process of completing a review of all IT systems by Wipfli. Anticipate preliminary report by end of next week.
5. Board retreat discussion: deferred to next month.
6. Board Appointments:
  - a. Appointments confirmed by Marathon County: Jeff Zriny, Randy Balk (to replace Lee Olkowski)
  - b. Appointments pending: Rick Nevers (to replace Laura Scudiere), Joanne Kelly, David Tange
  - c. Advised by Brad Karger that it may be beneficial to appoint someone from law enforcement.
7. Relationship with Marathon County:
  - a. Marathon County resolution regarding maintenance: suggested response from NCHC board (attached) reviewed and will be delivered by Jeff Zriny at county board meeting.
  - b. Marathon County agreement: General agreement that we are in support of the agreement and that once approved by the Marathon County board, it will have to be reviewed and ratified by NCHC board.
  - c. Marathon County Work Plan: Marathon County work plan for 2016 reviewed. Special note made of:

- i. Core Strategy 1.1: Support the NCHC Task Force in defining the relationship county wants with NCHC
  - ii. 1.4: Oversee aquatic therapy pool study designed to produce a cost estimate sufficiently specific and reliable to base a borrowing resolution upon.
  - iii. 1.6: Oversee the nursing home remodel
  - iv. 4.2: Enhance mental health services to offenders
8. Future agenda items: suggested that the new provider of medical services to the Marathon County jail attend a board meeting for purposes of becoming familiar with them to further cooperation between medical services and mental health services for jail.
9. Moved for adjournment by Jean Burgener, seconded by Bob Weaver. Meeting was adjourned by Jeff Zriny at 11:45 AM.

## Talking Points regarding Marathon County Resolution for Transition of Maintenance Services:

For the County Board educational session:

- The resolution has merit and a high likelihood of being endorsed by both NCHC staff and Board, the benefits of including the housekeeping staff are less clear. The conversation at this point has only been at a high level without the necessary detail to ensure the transition is smooth.
- The proposed transfer plan of maintenance staff must have NCHC board support after thoughtful consideration of these clear and present issues:
  - o Our maintenance staff is culturally important to our organization because of their high outcomes and service levels. Staff would want to see commitments that their co-workers will be cared for and service would not be diminished but rather improved as a result of the transition. Diligence must be taken to communicate respect and care through the process of NCHC staff.
  - o If handled without NCHC staff input and communication, the transition is likely to have a chilling effect on employee engagement and could further increase staffing issues at NCHC. The prospect of changing employers and perceived signaling of broader moves to come will bring a lot of questions and concerns from staff who might seek more stability elsewhere. NCHC staff must have confidence in all elements that this will make our relationship stronger, not weaker and that we all will be better for it.
- We respectfully request that this resolution be endorsed by the Marathon County Board and that the detailed plan be brought back to the Marathon County Board for approval after receiving official support on the transition plan from the NCHC Board.

QUALITY OUTCOME DASHBOARD

DEPARTMENT: NORTH CENTRAL HEALTH CARE

FISCAL YEAR: 2015

PRIMARY OUTCOME GOAL	Continuous Improvement Target	Benchmark	↑ ↓	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	2014
<b>CLINICAL</b>																	
Nursing Home Readmission Rate	11-13%	18.2%	↓	24.2%	13.8%	9.1%	11.1%	16.1%	18.5%	0.0%	8.3%	20.0%	18.5%	9.7%	13.9%	13.7%	11.5%
Psychiatric Hospital Readmission Rate	9-11%	16.1%	↓	11.0%	9.3%	12.7%	7.1%	17.2%	10.7%	12.8%	14.8%	3.8%	11.0%	3.1%	12.9%	10.8%	10.0%
AODA Relapse Rate	18-21%	40-60%	↓	17.9%	25.0%	26.7%	15.4%	30.0%	20.8%	26.3%	25.8%	4.5%	20.0%	18.2%	17.9%	21.7%	20.8%
NCHC Adverse Event Rate	3.8-4.0	4.1	↓	3.5	4.1	4.3	4.0	3.8	3.7	4.8	4.5	5.7	5.2	4.5	4.5	4.4	4.1
<b>PEOPLE</b>																	
Injury Claims*	50-60	78.95	↓	24	18	24	24	22	20	22	24	25	30	31	34	34	n/a
Employee Turnover Rate*	20-23%	17%	↓	21.0%	20.2%	18.4%	19.4%	20.3%	22.6%	23.4%	24.6%	24.5%	25.2%	27.2%	28.9%	28.9%	25.5%
<b>SERVICE</b>																	
Client/Patient/ Resident Satisfaction Percentile Rank	58-66 Percentile	58-66 Percentile	↑	66th	70th	39th	41st	67th	44th	65th	47th	29th	52nd	54th	55th	51st	59th
Community Partner Satisfaction Percent Good/Excellent	75-80%	N/A	↑	\	68%	\	\	79%	\	\	73%	\	\	90%	\	76%	71%
<b>COMMUNITY</b>																	
Community Employment Rate	15.8-18%	17.8%	↑	27.2%	25.2%	22.9%	24.7%	24.4%	23.6%	26.3%	21.1%	21.8%	23.4%	24.2%	20.3%	23.8%	n/a
NCHC Access Measure	90-95%	NA	↑	98%	98%	91%	83%	70%	59%	59%	65%	58%	66%	65%	51%	73%	n/a
Recidivism Rate for OWI	27-32%	44.7%	↓	31.4%	26.3%	24.4%	36.6%	23.5%	20.0%	12.8%	39.4%	21.3%	25.0%	25.8%	26.6%	26.4%	31.30%
<b>FINANCE</b>																	
Direct Expense/Gross Patient Revenue	55-59%	N/A	↓	61%	51%	59%	62%	65%	60%	65%	69%	65%	61%	65%	61%	63%	59.7%
Days in Account Receivable	55-60	54	↓	80	79	75	72	71	67	67	66	63	65	66	68	68	79
Write-Off Percent of Gross Revenue	.5-.6%	N/A	↓	0.18%	0.27%	0.32%	0.16%	0.59%	0.42%	0.46%	1.20%	1.30%	1.90%	2.10%	0.36%	0.70%	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. <i>Benchmark: American Health Care Association/National Center for Assistive Living (AHCA/NCAL) Quality Initiative</i>
<b>Psychiatric Hospital Readmission Rate</b>	Percent of patients who are readmitted within 30 days of discharge from the Inpatient Behavioral Health hospital. <i>Benchmark: Medicare Psychiatric Patients &amp; Readmissions in Inpatient Psychiatric Facility Prospective Payment System, May, 2013, The Moran Company</i>
<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. <i>Benchmark: National Institute of Drug Abuse: Drugs, Brains, and Behavior: The Science of Addiction</i>
<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. <i>Benchmark: Improvement from 2014 NCHC Rate</i>
PEOPLE	
<b>Injury Claims</b>	The number of employee injuries with associated worker's compensation claims. Monthly figures represent an annualized rate. <i>Benchmark: U.S. Bureau of Labor Statistics, U.S. Department of Labor 2013</i>
<b>Employee Turnover Rate</b>	Percent of employee terminations (voluntary and involuntary) of the total workforce. Monthly figures represent an annualized rate. <i>Benchmark: Society of Human Resource Management (SHRM) for the north central region of the U.S.</i>
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. <i>Benchmark: HealthStream 2015 Top Box Percentile</i>
<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. <i>Benchmark: National Alliance on Mental Illness (NAMI)</i>
<b>NCHC Access Measure</b>	% of clients obtaining services within the Best Practice timeframes in NCHC programs. <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. <i>Benchmark: 2012-OWI Related Convictions by Violation County and Repeat Offender Status, State of Wisconsin DOT, Bureau of Driver Service, Alcohol &amp; Drug Review Unit</i>
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. <i>Benchmark: WIPFLI, sources 2015 Almanac of Hospital Financial and Operating Indicators published by Optum-Psychiatric Hospitals, 2013 data.</i>
<b>Write-Off percent</b>	Write-offs as a percent of gross revenue



# North Central Health Care

Person centered. Outcome focused.

## 2016 Quality Plan



*Excellence in Quality*

## Background

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

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

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

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

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

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

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

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

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

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

### 🌟 Quality Structure and Culture

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

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

## ✦ Alignment and Accountability

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

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

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

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

## ✦ Leadership Development

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

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

## ✦ Employee Engagement

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

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

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

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

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

### 🌀 System and Process Improvement

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

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

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

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

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

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

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

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

## Scope

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

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

## Roles and Responsibilities

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

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

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

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

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

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

- ✓ Monitors program/department-specific Outcome Dashboards for progress in achieving Outcome targets,
- ✓ Ensures that programs are continuously apply PDCA methods to improve processes,
- ✓ Monitors specific survey findings follow-up to ensure improvement,
- ✓ Reviews any significant/sentinel events to ensure appropriate follow-up, and
- ✓ Reviews the findings from ongoing proactive auditing to ensure consistency in quality.

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

- ✓ Identifies the core leadership competencies of the Organization,
- ✓ Defines the leadership development process,
- ✓ Provides Recommendations and Plans to the Senior Team on leadership development activities based on needs and outcome assessments, and

- ✓ Plans and leads regularly scheduled Leadership Development sessions that support the goals of the Organization.
- ❖ **Process Improvement Team:** Is responsible to develop and monitor a standardized methodology that incorporates the use of data to ensure that outcomes are continuously improved. This is accomplished through the following activities:
  - ✓ Develops expertise in performance improvement methodology and facilitates and coaches this methodology through-out the organization,
  - ✓ Facilitates and/or coaches key cross-functional processes that have high impact on the quality of care/services provided, assessing these processes performance levels and implementing improvement processes,
  - ✓ Coaches leaders in utilizing process improvement methodology within their programs/ departments, and
  - ✓ Develops an effective system for documenting, reporting, and recognizing performance improvement projects. This system will include the verification that actions identified by teams are integrated into ongoing process.
- ❖ **Safety Committee:** Is the staff Committee with representation from all services/programs at North Central Health Care, Infection Control, and Quality professionals that is responsible to monitor and improve Safety at North Central Health Care. This is accomplished through the following activities:
  - ✓ Monitors the integration of the Safety and Security Management, Life Safety Management, Emergency Management, Hazardous Materials and Wasted Management, Medical Equipment Management, and Utility Management Plans.
  - ✓ Identifies, monitors, assesses, and controls critical hazards/potential hazards including, but not limited to, medication administration safety, infection prevention, fall prevention, resident/client identification, suicide risk management, and injury prevention,
  - ✓ Provides a channel of communication between employees and management regarding Safety concerns,
  - ✓ Conducts inspection to identify potential safety issues, and
  - ✓ Monitors Safety policies, procedures, plans, and programs.
- ❖ **Infection Control Committees:** The Infection Control Committee is responsible to monitor the integration of the Infection Control and Prevention Plan and the outcomes and improvement activities specific to the Service Line assigned to ensure quality, safety, and continuous improvement. This is accomplished through the following activities:
  - ✓ Assesses all programs and services for level of risk and integrates appropriate surveillance and prevention practices,
  - ✓ Monitors department/program-specific infection surveillance data to identify potential trends,
  - ✓ Initiates actions to address any trends, and
  - ✓ Reviews infection prevention practices to ensure the integration of evidence-based strategies that control and prevent infection.
- ❖ **Corporate Compliance Committee:** The staff Committee responsible to monitor the activities and practices of NCHC to ensure compliance with all appropriate ethical and legal business standards through adherence to the Corporate Compliance Plan. Compliance will be ensured through the following activities:



- ✓ Analyzes data from various sources including, but not limited to, financial reports, incident reports, patient surveys, audits, and employee or patient complaints,
- ✓ Establishes policies, structures, and education to support compliance, grievance resolution, and reporting,
- ✓ Investigates and resolves problems related to standards, compliance, and certification,
- ✓ Monitors to ensure effective response and management of patient grievances and ethical case reviews conducted by the Ethics Committee,
- ✓ Monitors to ensure effective investigation and follow-up on potential HIPAA (patient privacy) breaches, and
- ✓ Disseminates all relevant findings to program services, administration, licensing agencies when necessary, and the Board of Directors.

## 2016 Action Plan

Based on review of the effectiveness of Quality processes and outcomes in 2015, the following priorities and related actions have been established for 2016:

### **SERVICE EXCELLENCE**

- 1) Strengthening role clarity and job design.
  - a. Improved employee partnership and patient satisfaction outcomes
  - b. Updated performance management system and leadership accountabilities
- 2) Improving employee sourcing and development.
  - a. Clearly articulated workforce planning strategy with key action plans and deliverables
- 3) Enhancing recognition programs.
  - a. Improved recognition at the program level
  - b. Continued use of external Service and Operational Excellence accreditation/award frameworks to guide development of Quality efforts
- 4) Providing the tools and resources for serving patients directly
  - a. Improved employee partnership and patient satisfaction outcomes

### **BEHAVIORAL HEALTH CENTER OF EXCELLENCE**

- 1) Providing leadership in the delivery of the Psychiatry Residency program with the Medical College of Wisconsin.
  - a. Achievement of program accreditation
  - b. Participate in successful match process
- 2) Sourcing appropriate mental health and substance abuse professionals to meet community needs.
  - a. Evaluate staffing model
  - b. Develop detailed sourcing strategy
  - c. <10% vacancy rate in mental health staffing
- 3) Strengthening NCHC's comprehensive crisis services care delivery model.
  - a. Update community partner survey and achieve improved partner satisfaction
  - b. Reduction in out of county diversions
  - c. Follow-up service referral process for Crisis
  - d. Crisis services referrals to inpatient will be reduced
- 4) Effectively partnering with the criminal justice system to reduce criminal offenses associated with mental illness and substance abuse.
- 5) Advancing practitioner development and competency.
  - a. Staff training plan developed and validation outcomes met.
- 6) Continued development of innovative services to address community mental health and substance abuse needs (i.e., services to the criminal justice system, geropsychiatry, etc.).
  - a. Community partner satisfaction improvement
  - b. Strategic discussion and plan for enhanced customer relationship management-organized outreach
- 7) Deploy an internal Accountable Care Organization (ACO) model within the mental health and substance abuse services continuum of care by:
  - a. Enhancing clinical coordination between programs to ensure effective transitions of care.
  - b. Creating individual patient cost and outcome tracking mechanisms.
    - i. Reduction in inpatient readmissions.

- ii. Develop population health outcome measures.
- iii. Recidivism rates will continue to decline.
- iv. PI team deliverables.
- v. Develop internal behavior health “RUG” system

### **ELECTRONIC MEDICAL RECORD INTEROPERABILITY**

- 1) High clinical satisfaction with the interaction and functioning within EMR applications.
  - a. We will establish a clinical satisfaction survey process and efficiency targets with system “list” resolution
- 2) Staff proficiency is further developed and validated.
  - a. Training hour targets met and successful competency validation of clinical staff
  - b. Contract provider onboarding process developed
- 3) Systems communicate effectively to inform clinical decision making and patient care coordination.
  - a. An inventory of all paper processes and documentation will be created. Eliminate 75% of identified paper documents that should be integrated into the EMR.
- 4) Data is interfaced, processed, managed and easily accessed for evaluation and outcome reporting.
  - a. Auditing process will be developed with associated performance measures.
- 5) Ability to exchange data with patients and other healthcare partners.
  - a. Clear action plan and successful completion on meaningful use deliverables.

To support these priorities, the following Quality infrastructures will be focused on in 2016:

1. Process Improvement Methodology: Continued advancement of the integration of process improvement methodology to ensure sustainable improvements in Outcomes. Advanced training on process improvement facilitation skills will be provided to selected individuals who will be assigned to key cross-functional process improvement projects supporting the priorities identified above. In addition, education on integration of process improvement methodologies at the department/program level will continue to be provided for all leaders.
2. Data Management: Continued identification of key quality measures and external benchmark sources to ensure the ability to assess Quality. The integrity and effectiveness of data collected will continue to be evaluated. Additional external data sources and project will be sought to advance the organization’s ability to benchmark with other like organizations. Specific focus will be placed on developing the ability to measure population health outcomes for the following core patient populations:
  - a. Mental Health
  - b. Dementia
3. Leadership Practice Development: Continued advancement of leadership capabilities to support Excellence. The following specific actions will be taken:
  - a. An effective orientation processes to ensure the ability of leaders to operationalize practices supporting this Plan will be established.
  - b. Disciplined and effective application of key evidence-based practices that support best practice outcomes will be expected and verified for all leaders. These will include, but are not limited to:

- Goal Setting and Action planning based on key quality data,
  - Incorporation of process improvement (PDCA),
  - Employee Rounding,
  - Employee performance coaching, and
  - Recognition strategies aligned with organizational priorities.
- c. Evaluation of the capabilities and capacity of the current leadership structure will be completed to determine additional steps necessary to support this Plan.

## Outcomes:

Organizational Outcomes: The following organizational outcome targets have been established for 2016:

PRIMARY OUTCOME GOAL	Continuous Improvement Target	Benchmark	↑ ↓	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
PEOPLE																
Vacancy Rate	8-10%	N/A	↓													
Employee Turnover Rate*	20-23%	17%	↓													
SERVICE																
Patient Experience: Satisfaction Percentile Ranking	70-84th Percentile	N/A	↑													
Community Partner Satisfaction	75-80%	N/A	↑													
CLINICAL																
Nursing Home Readmission Rate	11-13%	18.2%	↓													
Psychiatric Hospital Readmission Rate	9-11%	16.1%	↓													
AODA Relapse Rate	18-21%	40-60%	↓													
COMMUNITY																
Crisis Treatment: Collaborative Outcome Rate	90-97%	N/A	↑													
Criminal Justice Outcome Measure-TBD			↑													
Access to Behavioral Health Services	90-95%	NA	↑													
Recidivism Rate for OWI	27-32%	44.7%	↓													
FINANCE																
Direct Expense/Gross Patient Revenue	58-62%	N/A	↓													
Days in Account Receivable	60-65	54	↓													

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.

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

## Reporting:

The following reporting on the 2016 Action Plan will be provided to the Board of Directors through the Quality Committee:

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

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

**Safety and Compliance:** All sentinel events and compliance investigations will be reported. Follow-up actions will also be reported.



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## CORPORATE COMPLIANCE PLAN

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## DESCRIPTION OF NORTH CENTRAL HEALTH CARE'S COMPLIANCE PROGRAM

**POLICY:** North Central Health Care (NCHC) has adopted a Corporate Compliance Program (Compliance Program) to reaffirm NCHC's commitment to promoting full compliance with applicable federal and state laws and regulations, accrediting bodies, and Federal health care program requirements. The Compliance Program provides a solid framework for structuring a comprehensive range of compliance activities that are designed to avoid legal and ethical problems, to effectively address compliance allegations as they arise, and to remedy the effects of noncompliance.

**LEGAL BASIS:** NCHC's Compliance Program has been developed in accordance with applicable law, and with guidance from federal authorities, including the United States Federal Sentencing Guidelines, adapted to providers of healthcare services by the Office of Inspector General of the Department of Health and Human Services (OIG) in its various Compliance Program Guidance documents<sup>1</sup>. The scope of the Compliance Program may be expanded in the future to cover additional areas of regulatory compliance to which NCHC is subject.

**CORE ELEMENTS:** The Compliance Program reflects NCHC's good faith commitment to identify and reduce risk, improve internal controls, and establish standards to which the entire Organization shall adhere. As such, NCHC adopts the following principals of compliance:

1. Developing and distributing a written Code of Conduct, as well as written policies and procedures that address the various components of NCHC's Compliance Program, and address NCHC's principal risk areas.
2. Designating a Corporate Compliance Officer (CCO) and a Corporate Compliance Committee (Compliance Committee) charged with the responsibility of operating and monitoring the Compliance Program.
3. Developing and implementing regular, effective education and training programs for NCHC employees, Board members, members of the medical staff and agents.
4. Maintaining an effective and well-publicized protocol for reporting or raising conduct or ethical concerns without fear of retaliation.
5. Developing disciplinary standards to clarify and respond to conduct that is prohibited by NCHC's Code of Conduct and policies and procedures, to respond to illegal or unethical conduct, and to pursue equitable enforcement of these standards with regard to all employees who violate any criminal, civil or administrative law or regulation, or the standards developed according to NCHC's Compliance Program.
6. Developing criteria and protocol for ensuring no individual who has engaged in illegal or unethical behavior, or who has been convicted of healthcare-related crimes, shall occupy positions that require the exercise of discretionary authority.
7. Maintaining effective auditing and monitoring systems to evaluate NCHC's compliance with laws, regulations, Federal health care program requirements, and the standards developed according to NCHC's Compliance Program; to assist in the prevention of Compliance Program violations; and to maintain the effectiveness of the Compliance Program.
8. Investigating, responding to and preventing identified noncompliance, including establishing appropriate and coordinated corrective action measures.

**SCOPE:** These Compliance Program standards shall apply to all employees, Board members, members of the medical staff and agents affiliated with NCHC and any other facilities or services which are currently operated or provided by NCHC, or which shall be operated or provided by NCHC in future (the NCHC facilities). It is the responsibility of all employees, Board members, members of the medical staff and agents to be familiar and comply with all requirements of the Compliance Program that pertain to their respective areas of responsibility; recognize and avoid actions and relationships that might violate those requirements; and seek guidance from, as applicable, an immediate supervisor, a NCHC Executive Leader or the CCO.

**LIMITATIONS:** The Compliance Plan is not intended to summarize all laws and regulations applicable to NCHC. This Compliance Plan is a living document that shall be reviewed and updated periodically to assure that employees, Board members, members of the medical staff and agents are kept informed of the most current legal and compliance developments in the healthcare industry.

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<sup>1</sup> See 63 Fed. Reg. 8987 (Feb. 23, 1998) for the compliance program guidance for hospitals; 70 Fed. Reg. 4858 (Jan. 31, 2005) for the draft supplemental compliance program guidance for hospitals. These documents, along with the other OIG compliance program guidance documents, are available at <http://www.oig.hhs.gov/fraud/complianceguidance.html>.



## GLOSSARY OF IMPORTANT TERMS

These terms shall have the following meanings throughout the NCHC Corporate Compliance Program:

Agents with respect to NCHC shall mean all persons and entities that have contracted with or volunteer at NCHC to provide healthcare related services, equipment or other items that impact NCHC's provision of healthcare to patients, and NCHC's relationship with Federal health care programs. Agents shall include, but not be limited to, residents, medical students, contractors, consultants, volunteers and vendors.

Audit shall mean a formal review of compliance with internal (e.g., policies and procedures) and external (e.g., laws and regulations) standards.

Board or Board members shall mean the members of NCHC's Board of Directors, which consists of community volunteer leaders who are representatives of the total community, and are knowledgeable of NCHC's unique cultural diversity and health care needs.

Complainant shall mean an individual who reports conduct inconsistent with the goals of NCHC's Compliance Program or in violation of any criminal, civil or administrative law or regulation, or Federal health care program requirement.

Compliance Committee shall mean those employees responsible for providing direct support to the CCO in the creation, implementation and operation of NCHC's Compliance Program.

Employees shall mean those persons employed by NCHC, including, but not limited to, managers, Executive Leaders, supervisors, employed medical staff, and other healthcare professionals.

Excluded individuals and entities refer to an individual or entity who: (a) is currently excluded, debarred, suspended, or otherwise ineligible to participate in the Federal health care programs or in Federal procurement or non-procurement programs; or (b) has been convicted of a criminal offense that falls within the ambit of 42 U.S.C. § 1320a-7(a), but has not yet been excluded, debarred, suspended, or otherwise declared ineligible.

Exclusion lists refer to the electronic lists of excluded individuals or entities maintained by the OIG and the General Services Administration.

Executive management shall mean those individuals who are part of NCHC's Executive Management Team.

Federal health care programs as defined in 42 U.S.C. § 1320a-7b(f), include any plan or program that provides healthcare benefits to any individual, whether directly, through insurance, or otherwise, which is funded directly, in whole or in part, by a United States Government or state healthcare program, including, but not limited to, Medicare, Medicaid, Civil Health and Medical Program for the Uniformed Services (CHAMPUS), Department of Veterans Affairs (VA), Federal Bureau of Prisons, and Indian Health Services, but excluding the Federal Employees Health Benefit Program (FEHBP).

NCHC shall include all healthcare facilities or services which are currently operated or provided by the North Central Health Care, or which shall be operated or provided by the North Central Health Care in future.

Management or managers shall mean those NCHC employees, including supervisors, who have the responsibility of evaluating, recommending and implementing major policies and strategies that assure continuance of quality healthcare to the communities which NCHC serves.

Medical staff or member of the medical staff shall mean those physicians and other providers of healthcare services who have been granted membership or clinical privileges to admit, treat or practice medicine within the facilities owned or operated by NCHC, and according to the terms of the Medical Staff Bylaws.

Monitoring refers to compliance reviews that are repeated on a regular basis during the normal course of NCHC's operations.

Noncompliance refers to conduct inconsistent with the goals of NCHC's Compliance Program or in violation of any criminal, civil or administrative law or regulation, or Federal health care program requirements.

## I. Written Standards

A core principal of NCHC's Compliance Program is the development, distribution and implementation of written standards that address NCHC's principal risk areas, reflect NCHC's commitment to promote compliance with all applicable legal duties, and foster and promote ethical conduct. These written standards shall consist of the Code of Conduct and policies and procedures that reflect NCHC's values and expectations regarding the behavior of employees, Board members, medical staff and agents, explain the operation of the Compliance Program, clarify and establish internal standards for compliance with laws and regulations, and help employees, Board members, medical staff and agents understand the consequences of noncompliance to both NCHC and the individual.

### A. Code of Conduct

NCHC has adopted a Code of Conduct, which is intended to serve as a guide to provide standards by which NCHC employees, Board members, medical staff and agents shall conduct themselves to protect and promote organization-wide integrity and to enhance NCHC's ability to achieve its mission. The Code of Conduct is designed to assist all NCHC employees, Board members, medical staff and agents in carrying out their daily responsibilities within the appropriate legal and ethical standards. However, the Code of Conduct cannot possibly encompass all legal and ethical standards, and is not a substitute for each employee, Board member, member of the medical staff or agent's own internal sense of honesty, integrity and fairness. Instead, each employee, trustee, member of the medical staff and agent must utilize their own good judgment, along with the principals announced in the Code of Conduct, to maintain NCHC's values.

The Code of Conduct is intended to be easily understood. In some instances, the Code of Conduct deals fully with the subject-matter covered. In many cases, however, the subject discussed is sufficiently complex that additional guidance is necessary to provide adequate direction. Consequently, the Code of Conduct is designed to be supplemented by this Compliance Plan and policies and procedures. Those policies and procedures shall expand upon and supplement many of the principals articulated in the Code of Conduct.

The Code of Conduct defines how NCHC operates internally and conducts business with respect to the following:

- Commitment to the ethical care of our patients, residents, and clients;
- Commitment to legal and regulatory compliance;
- Expectation that employees, Board members, medical staff and agents remain free of conflicts of interest in the performance of their responsibilities and services to NCHC;
- Commitment to satisfy the payment conditions required by payors with which NCHC transacts business, including Federal health care programs;
- Commitment to monitor and structure NCHC's relationships with physicians and other healthcare providers to be consistent with relevant federal and state laws and regulations, and in furtherance of NCHC's mission;
- Commitment to a diverse workforce and safe work environment; and
- Commitment to ensure that business, financial and patient-related information is used and safeguarded effectively and appropriately.

### B. Policies and Procedures

The Compliance Program requires the creation, distribution and maintenance of sound policies and procedures that address the various components of the Compliance Program and NCHC's principal legal risk areas.

Policies directly relating to the operation of the Compliance Program shall address:

- The duties of the CCO, the Compliance Committee, and the duties of any subcommittees or task forces created by the Compliance Committee;
- Compliance education and training program requirements;
- Protocol for reporting or raising conduct or ethical concerns without fear of retaliation;
- Disciplinary standards and response to violations of those standards;

- Criteria and protocol for screening employees and agents, and potential employees and agents, including protocol for querying the exclusion lists to identify ineligible persons and entities;
- Effective auditing and monitoring procedures;
- Investigating and responding to complaints and potential compliance problems; and
- Implementing corrective action plans in instances of noncompliance.

There are certain areas of heightened risk that have been identified throughout the healthcare industry, including the investigative and audit functions of the OIG. Therefore, to ensure that NCHC's Compliance Program remains effective, it is important for NCHC's policies and procedures to adequately address the following risk areas:

- The integrity and accuracy of claims submitted to the Federal health care programs and commercial payors for reimbursement, including policies that address:
  - Claiming reimbursement for services that have not been rendered;
  - Filing duplicate claims for the same service;
  - "Upcoding" to more complex procedures than those performed to obtain greater payment than that which is applicable to the items or service actually provided;
  - "Unbundling" or splitting a code for combined services into individual component codes to maximize reimbursement;
  - Including inappropriate or inaccurate costs on hospital cost reports;
  - Falsely indicating that a particular healthcare professional attended a procedure, or that services were otherwise rendered in a manner they were not;
  - Billing for a length of stay beyond what is medically necessary;
  - Billing for services or items that are not reasonable and necessary for the diagnosis or treatment of illness or injury or to improve certain functions;
  - Billing excessive charges; and
  - Collecting and submitting on a timely basis proper documentation to support claims for reimbursement.
- Guidance regarding gifts, gratuities and discounts to Federal health care program beneficiaries.
- Patient referrals to and by NCHC to promote the best interests of every patient and to comply with anti-kickback and patient self-referral laws.
- Appropriate methods for recruiting physicians to NCHC.
- The manner in which NCHC contracts with physicians for professional and administrative services.
- NCHC's obligations and rights when dealing with patients in emergency situations.
- The protection of confidential and other sensitive health information.
- Conflicts of interest and best strategies for avoiding and identifying potential conflicts.
- Compliance standards to govern NCHC's relationship with independent contractors, vendors, and other agents.

Policies and procedures shall be made readily available to, and easily accessible by, all employees, medical staff and agents. Policies and procedures shall also be revised or supplemented as necessary to reflect changes in laws, regulations and NCHC operations.

## II. Corporate Compliance Officer and Compliance Committee

NCHC's CCO, provides management and oversight for the ongoing implementation and development of the Compliance Program with the support of the Executive Team. NCHC shall establish a Compliance Committee to advise and provide support to the CCO in the implementation and maintenance of the Compliance Program.

### A. Corporate Compliance Officer, Executive and Management Teams

While compliance is everyone's responsibility, the CCO is the focal point of NCHC's Compliance Program and shall be accountable for all compliance responsibilities at NCHC. The Executive and Management Teams are responsible for ensuring that Compliance Program initiatives are implemented within each Program, Service, and in each of the NCHC facilities. The CCO may delegate authority and responsibility for compliance activities in the NCHC facilities and programs to the Executive Team and Management, but shall ultimately retain responsibility for the effectiveness of NCHC's Compliance Program.

In addition to general accountability for NCHC's Compliance Program, the CCO's responsibilities include:

- Periodically assessing NCHC's compliance risk exposure and the development of action plans to assure that the Compliance Program responds to identified risk areas.
- Formulating and ensuring the distribution of the Code of Conduct.
- Overseeing the creation, distribution and maintenance of NCHC's compliance policies and procedures.
- Coordinating with the Human Resource department to ensure adequate employee background checks are performed.
- Establishing effective systems to prevent employment of individuals, relationships with contractors, or purchase from vendors who have been barred from participation in federal government programs (commonly referred to as ineligible individuals and entities) or who have demonstrated a propensity to engage in illegal activities.
- Ensuring mandatory compliance education and training programs, which are effective to familiarize all NCHC employees, Board members, medical staff and agents with the components of the Compliance Program, the Code of Conduct, compliance policies and procedures and relevant compliance issues.
- Updating and refreshing education and training information according to updates or revisions in relevant laws and regulations or changes in the Compliance Program.
- Maintaining a well-publicized procedure for reporting potential Compliance Program violations without fear of retaliation, and promoting effective lines of communication for employees, Board members, medical staff and agents to pose informal compliance questions.
- Maintaining a record of compliance-related complaints and allegations and the disposition of each case, including any associated disciplinary actions and remedial action pursued by NCHC.
- Coordinating audit endeavors to assess the effectiveness of NCHC's internal controls and to detect significant violations of legal and ethical standards.
- Conducting investigations, or authorizing external investigations, in consultation with the Chief Executive Officer (CEO), of potential legal violations, or instances of unethical behavior.
- Evaluating, determining and implementing the most appropriate remedies to correct incidents of noncompliance, and develop and implement strategies for preventing future offenses.
- Reporting, after consulting with the CEO, any compliance matter requiring external reporting or disclosure.
- Establishing methods of improving NCHC's efficiency and quality of services, and reducing the Organization's vulnerability to fraud, abuse and waste.
- Making quarterly reports on compliance developments to the CEO and to the Board. Additional reports may be made to the CEO and the Board as determined by the CCO, with input from CEO and the Board.
- Serving as Chairperson of the Compliance Committee.
- Providing guidance and interpretation to the Board, the CEO, and executive management on matters related to the Compliance Program.
- Preparing, at least annually, a report describing the compliance activities and actions undertaken during the preceding year, the compliance priorities for the next year, and any recommendations for changes to the Compliance Program. This report shall be prepared with input from the Compliance Committee.
- Reviewing and updating the Compliance Program at least annually, and as required by events, such as changes in the law, or discovered deficiencies in the Program.

To ensure the CCO is able to carry out the responsibilities of his or her role, the CCO have complete authority to review all documents or other information related to compliance activities, including, but not limited to:

- Patient records
- Billing records
- Records concerning marketing activities
- Records concerning NCHC's arrangements with employees, Board members, medical staff and agents
- Contracts and obligations that may implicate relevant laws, such as anti-kickback, physician self-referral or other statutory or regulatory requirements.

The presence of the CCO does not diminish or alter the independent duty of every employee, Board member, member of the medical staff or agent to abide by the Compliance Program. For example, as clarified by the Code of Conduct, employees in a supervisory role shall be responsible for monitoring and promoting compliant behavior among subordinate employees.

## B. Compliance Committee

The Compliance Committee shall be responsible for providing support to the CCO in planning, overseeing, implementing, operating and enforcing the various components of the Compliance Program. The Compliance Committee is critically important to establishing accountability, credibility, and the structure of the Compliance Program. The purpose of the Compliance Committee is to allow NCHC and the CCO to benefit from the combined perspectives of individuals with diverse responsibilities and experiences. The Compliance Committee shall consist of high-ranking System employees. Accordingly, in addition to the CCO, who will chair the Committee, the Compliance Committee shall include:

- Chief Financial Officer;
- Director of Human Resources;
- Chair/Lead of the Ethics Committee
- HIPAA Privacy Officer; and
- two other high-ranking NCHC employees to be determined by the and CEO in consultation with the CCO.

In addition to the permanent membership, the Compliance Committee is authorized to invite other NCHC employees to meetings to draw from their relevant expertise as related to the matter under discussion.

The Compliance Committee shall support the CCO in furthering the objectives of NCHC's Compliance Program by:

- Analyzing the legal requirements with which NCHC must comply, and NCHC's principal risk areas.
- Ensuring appropriate System responses to identified organizational risk areas.
- Developing appropriate internal controls to facilitate legal and ethical conduct.
- Ensuring the Code of Conduct is distributed to all employees, Board members, medical staff and agents.
- Ensuring policies and procedures are distributed to the appropriate departments, employees and agents to which they apply.
- Updating and providing revisions to the Code of Conduct and policies and procedures.
- Recommending and supervising, in consultation with the relevant departments at the NCHC facilities, the development of internal systems and controls to achieve the standards set forth in the Code of Conduct and NCHC's policies and procedures.
- Developing effective education and training programs.
- Developing a system to solicit, evaluate and respond to complaints and problems.
- Reviewing the process by which reports of noncompliance are investigated and resolved.
- Creating and implementing effective methods for the proactive identification of potential compliance problems throughout NCHC.
- Assessing the effectiveness of the Compliance Program.
- Furnishing recommendations to the CCO regarding reports to be furnished to the CEO, the Board, or external third parties.

The Compliance Committee may also address other compliance functions as the Compliance Program develops.

The Compliance Committee shall create task forces to be comprised of employees with relevant expertise, who are not Compliance Committee members, to perform specialized functions with regard to implementing the Compliance Program.

## III. Education and Training

To promote compliance with applicable legal requirements and to assure that the standards set forth in this Compliance Plan are maintained, NCHC is committed to conducting education and training programs for employees, Board

members, medical staff and, as applicable, agents. Training programs shall be conducted at least annually, but possibly more during the implementation phase of the Compliance Program; if there is a change in the law, regulations or Federal health care program requirements that affects the Compliance Program; or if other issues arise that the CCO feels necessitates additional training.

The CCO and the Compliance Committee shall be responsible for the proper coordination and supervision of the education and training process. This shall require the development of a general compliance training program that is designed to provide an overview of Compliance Program activities and requirements and emphasize the areas that generate the greatest compliance risks for NCHC.

In addition to a general compliance training program, NCHC shall also sponsor more detailed, job-specific compliance training programs designed for certain employees, medical staff and agents, to help them effectively perform their job responsibilities and comply with the various specific legal and ethical issues that may not be included in general training. Special attention shall be paid to individuals whose responsibilities involve claims development and submission processes, and business relationships with physicians and other healthcare providers.

The compliance training programs are intended to provide each NCHC employee, Board member, member of the medical staff and, as applicable, agents with an appropriate level of information and instruction regarding the Compliance Program and applicable legal requirements and ethical standards. Both general and specific compliance training programs shall include distribution of the Code of Conduct and policies and procedures to the appropriate attendees.

Each new employee orientation shall, at a minimum, include general compliance training to be followed promptly by specific training as the new employees' job responsibilities require.

Compliance education and training sessions shall be conducted by qualified personnel, which may include the CCO, other members of the Compliance Committee, or other trained NCHC personnel. Seminars may also be conducted by consultants or vendors qualified to conduct educational programs. The CCO, after consultation with the CEO, may require that certain employees, medical staff and, as applicable, agents, attend, at NCHC's expense, publicly available seminars covering relevant compliance topics.

Education and training programs shall be updated according to results from audits and investigations, feedback from education and training program attendees, trends in reporting, and changes in applicable law and Federal health care program requirements.

Attendance at, and completion of, the education and training programs is mandatory for all employees, Board members and medical staff with regard to general training, and selected employees, medical staff and agents with regard to specific training. Attendance shall also be a factor in each employee's annual performance review. Failure to attend and complete compliance training will be grounds for disciplinary

action, up to, and including, termination of employment or medical staff privileges, or failure to renew contracts. All attendees shall be required to certify to attending the education and training sessions.

The CCO shall be responsible for seeking feedback from all training session attendees, and developing and implementing a system for retaining records of employee training, including attendance logs, certifications, and material distributed at training sessions.

#### IV. Reporting

To effectively detect, resolve and prevent instances of noncompliance it is essential that employees, Board members, medical staff and agents are encouraged to raise conduct or ethical concerns to, as applicable, an immediate supervisor, a NCHC Executive Leader or the CCO.

To ensure a viable system of internal reporting, the following shall be incorporated into NCHC's Compliance Program:

- Creation of an environment within which employees, Board members, medical staff and agents feel comfortable reporting concerns, questions and instances of improper conduct without fear of retaliation.
- Provision of a mechanism for confidential or anonymous reporting for employees, Board members, medical staff and agents who are uncomfortable reporting concerns to, as applicable, an immediate supervisor, a NCHC Executive Leader, or the CCO. This reporting may be accomplished through the use of NCHC's telephone hotline, which can be accessed 24 hours a day, 7 days a week, by dialing [1-715-848-4488](tel:1-715-848-4488).
- Publicizing NCHC's telephone hotline and other methods of internal reporting in a manner in which all employees, Board members, medical staff and agents are made aware of the various reporting methods available.
- Tracking, documentation and oversight mechanisms to ensure that reports of suspected noncompliance are fully and promptly investigated and addressed. In the case of the telephone hotline, a log of the calls received shall be maintained by the CCO.
- Mechanisms to ensure that the CEO, the Board, and relevant management are properly and regularly apprised of, and can take appropriate action on, compliance issues identified in investigations that result from reports of noncompliance. Such action may include the development or updating of related policies and procedures and training program content.

Once an employee, Board member, member of the medical staff or agent has made a report, the complainant has a continuing obligation to update the report as new information becomes known to the complainant. Reports that are deemed credible by the CCO shall be thoroughly and appropriately investigated and addressed.

Although NCHC shall always strive to maintain the confidentiality of a complainant's identity, regardless of the method used to report suspected noncompliance, the complainant shall be made aware that his or her identity may have to be revealed in certain circumstances, such as scenarios involving government or law enforcement authorities, or when it is necessary to further an internal investigation into the reported matter. Nevertheless, NCHC strictly prohibits a complainant from being retaliated against in any manner based on the complainant's report of suspected noncompliance. Any individual found to have retaliated against a complainant shall face disciplinary action, up to and including, termination of employment or medical staff privileges, or failure to renew contracts. If a complainant is found to be responsible for the noncompliance, the Human Resource department shall be responsible for responding according to established disciplinary policies and procedures.

## V. Disciplinary Standards

Adherence to NCHC's Compliance Program standards, and all applicable laws and regulations, is a condition of employment or association with NCHC. Accordingly, NCHC shall develop, implement and maintain a mechanism of accountability and discipline for individuals who are found to be in violation of any law or regulation, or any of the Compliance Program standards in the course of their employment or association with NCHC. Examples of actions or omissions that will subject an employee, member of the medical staff and certain agents to disciplinary action include, but are not limited to:

- Mistreatment of patients;
- Conduct inconsistent with legal requirements or Compliance Program standards;
- Failure to report suspected noncompliance; or
- Direct or indirect retaliation against an individual who reports, through any means, suspected noncompliance.

Possible disciplinary action may include, but shall not be limited to, counseling, written warnings, suspension, demotion, reduction in pay, termination of employment or medical staff privileges, and failure to renew contracts, depending on the degree of severity of noncompliance. Disciplinary action will be pursued on a fair and equitable basis, and employees at all levels of NCHC shall be subject to the same disciplinary action for the commission of similar offenses, including executive management. The Human Resources departments shall ensure that the imposed discipline is proportionate to the level of misconduct, and administered fairly and consistently in compliance with NCHC policies and procedures.

Disciplinary standards shall be well-publicized and disseminated, and made available to all levels of NCHC employees, medical staff and, where applicable, agents.

## VI. Hiring Criteria

Legally and ethically, NCHC has a responsibility to protect the integrity of the delivery of healthcare services, and billing and claims submission systems. Therefore, NCHC shall not knowingly employ or contract with an individual or entity who has engaged in illegal activities or who has been convicted of healthcare-related crimes.

Accordingly, any applicant for an employment position with NCHC, physician or other healthcare provider seeking medical staff privileges, or any agent seeking to provide services to or for NCHC, shall be required to disclose whether they have ever been convicted of a crime, including:

- Crimes related to the delivery of a healthcare item or service;
- Patient abuse or neglect;
- Fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct in connection with a healthcare program; or
- Exclusion from participation in federal government programs.

In addition, NCHC shall reasonably inquire into the status of each prospective employee, member of the medical staff and agent by, at a minimum, pursuing the following steps:

- Conducting background checks of employees and agents with discretionary authority in the delivery of healthcare services or items, or billing functions to ensure that no history of engaging in illegal or unethical behavior exists;
- Conducting periodic reviews of the General Services Administration's List of Parties Excluded from Federal Programs available at [www.epls.gov](http://www.epls.gov) and the OIG's List of Excluded Individuals and Entities available at <http://www.oig.hhs.gov/fraud/exclusions.html>;
- Conducting periodic reviews of the National Practitioner Data Bank; and
- Conducting periodic reviews of actions pursued by the Food and Drug Administration and the Drug Enforcement Agency.

If an existing employee, member of the medical staff, or agent is found to be excluded he or she shall be immediately removed from a position of discretionary authority at NCHC, and NCHC may terminate employment, medical staff privileges, or its relationship with agents accordingly.

## VII. Auditing and Monitoring

NCHC shall conduct a variety of active auditing and monitoring functions designed to test and confirm the effectiveness of the Compliance Program, and identify NCHC's principal organizational risk areas. Audits shall be conducted at the CCO's direction. In addition, audits shall be outlined in an audit plan to be reviewed and approved by the Compliance Committee, and reevaluated annually to determine whether audits have been effective at identifying NCHC's principal risk areas and, if action has been taken to correct discovered deficiencies, whether that corrective action was sufficient to improve the audited area.

Audits may target diverse levels of NCHC operations, including, but not limited to:

- Billing systems
- Claims accuracy
- High volume services
- Medical record documentation
- Patient admissions, transfers and discharges
- Cost reporting
- Emergency medical services
- External relationships with third parties, particularly those with substantive exposure to government enforcement actions
- Potential kickback arrangements
- Physician self-referrals
- Marketing endeavors

Compliance audits may take one or more of the following forms:

- **Baseline Audit** – an initial audit in a series of identical audits that provides a basis against which the progress of future audits is compared. Assessments of organizational risk areas can be determined through baseline audits.
- **Prospective Audit** – an audit that is performed before a function is implemented or performed in an effort to correct discovered deficiencies. For example, in the case of billing, a prospective audit would be performed before a bill is submitted for payment.
- **Retrospective Audit** – an audit that is performed after a function is implemented or performed, which may require NCHC to implement corrective action to rectify any discovered deficiencies in the audited area.

- **Special Audits** – an unscheduled audit that is performed at the direction of the CCO in response to events that necessitate an audit, such as internal or external investigations.
- **Post-Compliance Audits** – an audit that is performed following the correction of any detected deficiency to determine the effectiveness of the corrective action.
- **Annual Risk Assessment Audit** – an audit that is performed on annual basis to identify those audited areas that have improved, and those that require further corrective action.

Audits may be conducted by external auditors who have attained the requisite certification and, as such, have expertise in applicable federal and state healthcare laws and Federal health care program requirements. Compliance audits may also be conducted by the CCO with assistance from NCHC management or other individuals as the CCO shall designate.

Monitoring activities shall be ongoing. The CCO and Executive Team shall direct each NCHC department as to the level of monitoring activities necessary to detect and prevent deficiencies in the Compliance Program. Monitoring activities may also be initiated by managers.

The CCO, the CCO's designees, and any external auditors retained by NCHC, shall prepare a written report to include the findings and results of each audit. These reports will help to determine whether an audited area shows improvement, or whether there are continued deficiencies that need additional examination. Compliance reports created by an auditing or ongoing monitoring process, including reports of noncompliance, shall be reported to, and maintained by, the CCO and shared with the Compliance Committee, the CEO and the Board as dictated by NCHC policy.

## VIII. Investigation, Response and Prevention

Conduct in violation of law or inconsistent with the goals of the Compliance Program corrupts NCHC's mission and endangers NCHC's reputation. Accordingly, NCHC shall establish mechanisms that enable prompt response to credible reports of noncompliance.

When the CCO receives a report of noncompliance that he or she deems to be credible, the CCO shall coordinate with representatives from the relevant NCHC departments to:

- Promptly halt the underlying activity, and halt or mitigate, where possible, any ongoing harm caused by the suspected noncompliance;
- Fairly and expediently investigate to determine the existence, scope and seriousness of the noncompliance, and to identify the conduct or process that caused the noncompliance;



- Respond with appropriate action to correct the confirmed noncompliance;
- Implement preventative measures to avoid similar instances of noncompliance in the future; and
- Perform periodic audits of the identified problem area(s) to ensure that the implemented preventative measures have effectively eliminated the cause of the noncompliance.

If an investigation uncovers credible evidence of noncompliance, and, after a reasonable inquiry, the CCO has reason to believe that the noncompliance may violate a law or regulation, the CCO shall immediately report the matter to the CEO and seek General Counsel for advice regarding NCHC's reporting obligations. After consulting with the General Counsel, the CCO shall promptly report such matters to the Board of Directors. The CCO shall maintain appropriate protocol to ensure that steps are pursued to secure or prevent the destruction of documents or other evidence relevant to the investigation.

## Code of Conduct

NCHC is dedicated to providing high quality healthcare services that meet the needs and respect the rights of those we serve. We are committed to protecting the privacy of our patients by preserving the confidentiality and security of individually identifiable health information, whether or not such information is maintained electronically, in writing, is spoken or in any other medium. We conduct our business activities and patient care operations in full compliance with all applicable federal, state, and local laws and regulations. We take all reasonable precautions to avoid conflicts, or the appearance of conflicts, between our private interests and the performance of our official duties and responsibilities. *This Code of Conduct is* intended to guide and direct all employees, officers, board members and others who work at or are associated with our organization. The Code helps us make the right choices when confronted with difficult decisions and adherence to these guidelines is expected at all times. If any section of the Code is unclear to you, or if you have questions or concerns about a situation you are facing, there are a number of ways to seek assistance. First, we hope you will feel comfortable discussing your question or concern with your supervisor. If for any reason you do not wish to do so, or your supervisor is not able to address your questions or concerns, you may contact your Administrator-on- Call, Human Resources, the Compliance Officer, or call the confidential Occurrence Hotline (1-715-848-4488).

### 1. Core Values and Behaviors

***Collaboration***-We are successful by working across the organization and through the community building positive relationships to support the best outcomes.

- set an example of cooperation by being flexible and supportive of my co-workers, other departments, and our community partners.
- listen openly; acknowledging and respecting others' ideas and opinions.
- demonstrate a positive approach in all interactions and promote a positive work environment.
- offer help to my co-workers without having to be asked and thank them when they assist me.

***Integrity***-We foster a trusting culture where doing the right things for the right reasons is the standard.

- be honest and kind in all interactions.
- refrain from disruptive behavior including negativity and gossip.
- seek my co-worker out if I have a conflict with them with a goal of conflict resolution.
- maintain confidentiality of all private information and private interactions.
- respect others at all times embracing the value that differences bring to the work place.
- show respect of others' time by always being on time or informing the appropriate individual of an unplanned delay.

***Accountability***-We are accountable to outcomes and to each other.

- take responsibility for my actions and work including not blaming others and apologizing if I have made a mistake.
- promote safety in all that I do. When I identify a potential safety concern or adverse event, I will report it immediately.
- not initiate or participate in "we/they" conversations as I understand that this does not promote the unity we need to achieve excellence.
- use resources carefully to support financial responsibility.

***Continuous Improvement***- We embrace change, innovation, and the advancement of excellence.

- be flexible and open to change, understanding that change is important for improvement and success, avoiding statements that indicate an unwillingness to try new ways of doing things.

- maintain a positive approach to problem-solving, bringing an idea for a solution whenever possible.
- seek out learning opportunities to enhance my skills and abilities and will help teach others without being critical of their mistakes.
- offer ideas for improvements that support better outcomes.

***Service Excellence-*** *We are committed to providing excellent service to every customer every day.*

- make every effort to meet and exceed my patients, clients, residents, visitors and co-workers needs and expectations.
- smile, make eye contact, and speak in ways that are easily understood.
- be friendly and helpful to all those I encounter, greeting people in a welcoming manner.
- use positive tone of voice and body language in my interactions.
- dress professionally knowing that appearance communicates competency and respect.
- remain calm and caring in pressure situations.

## **2. Patient Care**

- We provide each patient with care that is both appropriate and necessary for the patient's medical condition.
- We render services to patients without regard to their sex, age, disability, race, color, creed, religion, national origin, veteran status, sexual orientation or ability to pay. We provide patients seeking emergency medical treatment a medical screening, and manage such patients in accordance with Emergency Treatment and Active Labor Act (EMTALA) regulations.
- We utilize personnel with proper credentials and experience in meeting the needs of our patients. Upon request, we inform patients or their authorized representative of the identity of all personnel who participate in their care.
- We maintain complete, accurate and legible accounts of all care and treatment provided to patients.
- We respect every patient's right to make his or her own healthcare decisions, including the refusal of medication or treatment after the possible consequences have been clearly explained unless the patient has been formally determined to be incompetent, in which case the guardian will assume these rights.
- We support informed consent and communicate the benefits, risks and alternatives of diagnostic and therapeutic procedures, and the use of advance directives.
- We treat patients in the least restrictive environment appropriate to their individual needs.

## **3. Patient Privacy (Health Insurance Portability and Accountability Act HIPAA)**

- We will use and disclose individually identifiable health information for purposes of treatment, payment, or healthcare operations in accordance with Federal and State law.
- We will provide written notices of our privacy practices, including descriptions of individual rights with respect to protected health information (such as the right to inspect, copy, amend, or correct their health records) and the anticipated uses and disclosures of this information that may be made without the patient's written authorization.
- We will only view a patient's personal health information on a need to know basis by only those involved in the care of that individual. Whenever using, disclosing, or requesting protected health information, we will use reasonable efforts to limit the amount of individually identifiable information we use, disclose, or request to the minimum necessary to accomplish the purpose for which the use, disclosure or request is made.

- Before sharing any individually identifiable health information with a non-North Central Health Care entity or individual, we will first verify that such entity or individual is a properly authorized business associate of North Central Health Care unless otherwise permitted by law.
- To the extent possible, we will ensure that our business associates provide us with satisfactory assurance that they will safeguard and keep confidential, our patient's individually identifiable health information.
- When providing information to a directory (such as a patient directory maintained in a hospital) or to the next of kin or other person involved in the care of the patient, reasonable efforts will be made for the patient to be given notice and the opportunity to decline prior to the information being disclosed.
- By law, we treat designated patient information, such as mental health notes, substance abuse and HIV/AIDS, with the strictest of confidence and will not release or disclose such information without the patient's prior written consent or by valid court order or as otherwise permitted by law.
- We will take reasonable efforts to protect patient information when transmitting electronically.

#### **4. Laws and Regulations**

- We provide services that are appropriate and safe, and conduct our business affairs in compliance with all applicable laws, regulations and professional standards.
- We will not solicit, accept, give or offer anything of value to physicians or other healthcare providers for the referral of patients or services which may be paid by a federally funded healthcare program. Kickbacks, bribes, rebates or any kind of benefits intended to induce referrals or in return for referrals are strictly prohibited.
- We compensate healthcare professionals and other providers at fair market value and only for documented services provided.
- We never pursue a business opportunity that is illegal. Vendors are verified for participation in the Medicare program.
- We do not share or discuss proprietary information such as pricing, market information or contractual arrangements with someone from a non-affiliated healthcare organization or divide, or attempt to divide, territories or customer lists with competitors.
- We conduct our marketing efforts with truth, accuracy, fairness and responsibility to patients, the communities we serve, and the public at large. Marketing materials reflect only those services available, the level of licensure and accreditation, and comply with applicable laws and regulations dealing with truth in advertising, non-discrimination and confidentiality.
- We record all financial information in accordance with generally accepted accounting principles and established financial procedures and internal controls.
- We do not tolerate the making of false or misleading statements to any government agency, healthcare program or payer source.
- We cooperate with all appropriate requests for information from government auditors, investigators or other officials. Examples include: Department of Health and Human Services, Office of Inspector General, Centers for Medicare and Medicaid (CMS), and Department of Labor. If an employee is contacted by an organization, the employee should contact their manager immediately. If the manager is unavailable, employee should contact the Compliance Officer, Privacy Officer, or Administrator-on-call.
- All contracts, business arrangements and affiliations entered into will be in compliance with all applicable laws, regulations and professional standards.

## **5. Billing and Coding**

- We bill only for those services which are actually provided, medically necessary, appropriately authorized, and properly documented.
- We use billing codes that most accurately describe the services and care provided. Up-coding or improperly bundling charges to increase reimbursement is strictly prohibited.
- We prepare and maintain all billing records accurately, reliably, honestly, and in accordance with established accounting and billing policies and practices.
- We will not tolerate the submission of any claim for payment or reimbursement that is false, fraudulent, fictitious, or is grossly misleading or inaccurate.
- We regularly check for credit balances and promptly refund any overpayments.
- We make reasonable attempts to collect all deductibles and co-payments.
- We strictly prohibit the premature destruction or the alteration of any document in response to, or in anticipation of a request for those documents by any government agency or court.
- We require that our employees are made aware of the laws and regulations pertaining to billing and coding. In this respect, we take responsibility for the training and education of our employees so that they may properly perform their duties.
- We conduct internal and external audits to ensure compliance with coding and billing regulations.
- We will submit annually a Medicare and Medicaid cost report to governmental intermediaries in order to review and settle payment differences.

## **6. Conflicts of Interest**

- We do not tolerate any business or financial opportunity, which might conflict, or appear to conflict, with the interests of North Central Health Care or those we serve. A conflict exists whenever a trustee, officer, physician or employee (or a related party such as a business or family member) may receive a financial benefit from any decision or action that he/she takes.
- We will report to the above mentioned, any conflicts of interests concerning ourselves, family members or business interests when known. Family members include spouse, parents, grand-parents, siblings, children, grandchildren, aunts, uncles, niece, nephew and first cousin, in-law, whether by birth, marriage or residence and other persons living in the same household.
- We do not permit family members to be in a direct reporting relationship to each other. We review other employment situations involving family members, and reserve the right to transfer employees if a conflict exists.
- We do not solicit, accept or give gifts, payments, fees, services, valued privileges or other favors where these would, or might appear to, improperly influence the performance of our official duties. Questions regarding the acceptance of an unsolicited gift, entertainment or other favor of nominal value should be discussed with your manager, Administrator-on-Call, or the Compliance Officer.
- We do not use our position to secure a special discount or other favorable treatment (e.g., not available to all employees) from a person or outside organization which does or is seeking to do business with North Central Health Care.
- We do not use our position to influence personal decisions of our staff.
- North Central Health Care Board Members, senior management and other individuals with purchasing authority and/or influence over vendor or product selection disclose annually any direct or indirect business relationship or investment in North Central Health Care. Disclosure also includes compensation,

remuneration, and gifts, gratuities or favors that are of a material or substantial nature received by North Central Health Care.

## **7. Property, Equipment and Other Assets**

- We personally are responsible and accountable to ensure, including the access and security of our systems and our facilities, the proper business use of all North Central Health Care funds, property and equipment in general and, in particular, that is entrusted to our care. All users of the computer system acknowledge the proper use each time the computer is accessed.
- We follow established internal control procedures when handling and recording North Central Health Care's funds, property and equipment. The responsibility for physical security of laptops and portable computing devices and information contained within resides with the individual to whom the device is allocated. Prior to leaving the employment of North Central Health Care, individuals must return all North Central Health Care owned property.
- We do not copy or disclose any North Central Health Care information or publications which are not intended for public distribution (i.e., policies & procedures, facility listings, organizational charts, employee, patient and provider information, etc.) to unauthorized persons either within or outside of North Central Health Care.
- We strictly prohibit making unauthorized copies of any computer software licensed to North Central Health Care, including downloads from the Internet. Executable software must be validated, approved and installed by Information Services. Unmanaged installations can compromise the operating environment and also constitute a security risk, including the intentional or unintentional spreading of software viruses and other malicious software.
- We respect and protect the intellectual property rights of individuals and companies with which we do business. We do not make copies or use this property without advance written permission.
- We understand that any research or product developed on North Central Health Care's time or equipment, whether intellectual or physical, is the property of North Central Health Care.
- We do not permit the use of North Central Health Care funds, equipment and facilities to support a political party, candidate or holder of any government position. We limit our efforts to influence legislation to those activities, which are, in the opinion of our General Counsel, appropriate and in the best interests of North Central Health Care and those we serve.
- We have established appropriate Email, Internet and Password Control policies and procedures outlining proper use.
- We will maintain records in accordance with regulatory and accrediting agency record retention requirements regarding the appropriate time periods for maintenance and location of records. We will not prematurely destroy records.
- We require employees to accurately record their time as the basis of payment for hours worked. Time is recorded either on an electronic, telephonic or written basis, depending upon the location or needs of the department or entity. We will reimburse employees for business expenses incurred as provided for in North Central Health Care's Staff Reimbursement Policies. We will pursue recovery for any overpayment.

## **8. Health and Safety**

- We will comply with state and federal laws as it pertains to maintaining a safe working and service environment. We immediately report any unsafe acts or circumstances which may create an unsafe condition.

- We handle and dispose of hazardous materials and waste, and regulated medical waste in accordance with all applicable laws and regulations.
- We take all reasonable precautions to ensure our safety as well as the safety of patients, visitors and co-workers.
- We strictly prohibit unauthorized weapons of any kind on North Central Health Care premises.
- We do not tolerate the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance on any North Central Health Care premises. Moreover, we will not tolerate the use of alcohol in the workplace, on North Central Health Care time, and/or on North Central Health Care property. Suspected violators will be immediately relieved of their current duties and may be requested to undergo drug and alcohol testing.
- We immediately report to a manager all accidents involving injury to a patient, employee or visitor. After the appropriate person(s) is notified, occurrence reports are completed promptly.
- We are responsible for being knowledgeable about and strictly following emergency, safety and security plans and procedures. Emergency preparedness and safety training is provided to all employees on a regular basis.
- We provide education on equipment and supplies. We proactively upgrade equipment and supplies to maintain best practice patient care.
- We have established procedures to eliminate access to North Central Health Care facilities and other proprietary information when employment at North Central Health Care has ended.
- We voluntarily and proactively report any violations and/or potential safety violations to the appropriate external regulatory bodies.

## **9. Human Resources**

- We comply with all employment rules and regulations set forth by federal, state and local governments.
- We maintain a work environment that respects the rights, dignity and diversity of our employees. Harassment or any other form of physical, verbal or mental abuse will not be tolerated.
- We adhere to the Code of our professions and exercise reasonable judgment and care in the performance of our duties.
- We treat employees in accordance with North Central Health Care policies. A Dispute Resolution/Grievance Process is available to all regular staff employees to deal with unresolved, employment-related concerns or issues.
- We provide everyone with equal employment and advancement opportunities regardless of race, color, creed, religion, sex, age, marital status, national origin, ancestry, veteran status, sexual orientation or disability.
- We never discuss information contained in another employee's personnel file unless we are authorized or legally required to do so.
- We strive to understand and address issues which may cause employees to leave the organization. We may conduct exit interviews upon or after an employee's termination of service.
- We maintain staff competencies by means of credential checks, education and training, and adherence to accreditation and licensing procedures.
- We have a Solicitation policy to protect the rights of every employee and to assure no interference with patient care.
- We conduct criminal background investigations and verify applicants' participation in the Medicare and Medicaid programs on external applicants for employment.

- We maintain a drug-free work environment.
- We provide uninterrupted patient care while recognizing, respecting and resolving any conflicts resulting from an employee's personal cultural values, ethics or religious beliefs.
- We voluntarily and proactively report any violations and/or potential violations of professional standards of practice to the appropriate licensing and/or regulatory bodies.



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

**December 18, 2015**

**8:00 AM**

**NCHC – Wausau Campus**

Present: X Jean Burgener  
X Bill Metter

EXC Lee Olkowski  
X John Bandow

X John Robinson  
X Bill Miller

Also Present: X Gary Bezucha  
X Michael Loy  
X Debbie Osowski

X Brenda Glodowski  
X Pat Brown

X Kim Gochanour  
X Becky Schultz

The meeting was called to order at 8:00 a.m. Pat Brown, Interim Director of Nursing, was introduced.

Minutes

- **Motion**/second, Metter/Bandow, to approve the 11/19/15 minutes of the Nursing Home Operating Committee meeting. Motion carried.

Financial Report

- Nursing Home revenues:
  - November showed a small gain of just under \$20,000.
  - Generally revenues are close to target.
  - Census average was 207; Medicare census improved to 21.
  - Medicare rates have been improving.
  - Positive revenue of \$103,000 through November.
  - Miscellaneous revenue is at a positive.
- Nursing Home expenses:
  - Three nursing home units were over budget by \$300,000.
  - Salaries in nursing home admin area are under budget due to open positions for DON and Administrator; however contracts for interim positions are over by \$249,000.
  - Benefit expenses are down slightly in November.
  - Equipment rental, rehab, drugs are over budget.
- Coding expert comes regularly to verify MDS coding; will see positive results after six months.
- Pharmacy is reviewing highly utilized drugs, the formulary, reimbursements, etc. Will also look at utilization and make recommendations to physicians.
- Will be reviewing the services provided by the therapy company to verify we are receiving what is needed.
- Also reviewing costs of providing services to residents i.e. cost of renting equipment vs purchasing equipment, etc.

- Information to review:
  - Impact on budget if NCHC did not have Medicare Part A.
  - Our inability to attract Medicare patients due to physical environment i.e. impact of loss of one Medicare patient is \$80,000 which then increases tax levy.
  - Fixed cost information i.e. cost to care, county responsibility.
  - What does it take to care for a Medicaid patient?

#### Senior Executive Nursing Home Operations and Quality report

- Distributed and reviewed Glossary of Terms to help understand the many acronyms used in regular communication. Will be updated regularly.
- Last month the goal was to get to know staff with many meetings held on individual basis.
- Working on how to control supply costs.
- Use of agency staff must now be approved by Kim.
- Planning education for leaders: rounding, leadership, financial planning, 'back to basics', etc.
- Continue to focus on Plans of Correction. Infections decreased in November, number of falls reduced last month, use of antipsychotics have significantly reduced, and we continue to focus on having good systems in place.
- Working on TIER, occurrences, etc.
- Labor data is slightly skewed but many staff are finishing orientation.
- Health Tech Aids are moving into the CNA course.
- Investigating the use of psychiatric medications verifying required documentation is in place.

#### Charter

- Following discussion the committee recommended the following changes to the revisions in the Nursing Home Operations Committee Charter:
  - Members section: remove 'Committee members will be recommended to and approved by the Marathon County Board of Supervisors. Non-voting committee members will be encouraged to participate.'
  - Team section: add 'NCHC Quality Director'
- Committee members encouraged to identify additional resources to support the staff.
- **Motion**/second, Metter/Miller, to approve the above revisions to the Charter. Motion carried.
- One of the Charter Outcomes items will be added to the agenda each month.

#### Future agenda items

- Presentation on dementia care that was provided to the State Task Force on 11/18/15.
- Planning education about the nursing home and other NCHC services for county board members i.e. who we serve, services provided, etc. Subcommittee of Bill Metter, John Bandow, Becky Schultz, and Kim Gochanour will bring back recommendations to the committee for an orientation packet/process.

**Motion**/second, Metter/Bandow, to adjourn at 9:41 a.m. Motion carried.

*dko*



# North Central Health Care

Person centered. Outcome focused.

## North Central Community Services Program Board Nursing Home Operations Committee

### Charter

- Members:** Minimum of five (5) member committee consisting of representatives from the North Central Community Services Program Board (51.42 Board) and the general public who are residents of Marathon County with knowledge or expertise in long term care, healthcare, and/or business and industry.
- Terms:** Annual appointments.
- Resource Team:** NCHC CEO  
Mount View Care Center Administrator  
NCHC CFO  
NCHC Human Resource Director  
NCHC Quality Director  
Other NCHC and Marathon County Staff as deemed helpful
- Purpose:** The Nursing Home Operations Committee is appointed by the North Central Community Services Program Board to oversee the operations of the Marathon County nursing home, Mount View Care Center. The Committee works closely with the NCHC CEO, Nursing Home Administrator and CFO, providing expertise, establishing expectations of operations and monitoring those expectations, including quality of care. The Committee provides consultation with regards to the broad strategic direction for the Nursing Home. The Committee is accountable to the North Central Community Services Program Board.
- Authority:** Makes recommendations to the Board when policy changes are needed. The Committee will be involved in operational consultation, strategic planning and performance expectations, which may not require Board action.
- Outcomes:** Outcomes will be established on an annual basis for the following categories:
- Demonstrated quality
  - Fiscal responsibility
  - Strong human relations
  - Regulatory compliance
  - Resident/family expectations
- Meeting:** As scheduled by the Committee Chair, Administrator or CEO; usually monthly.
- Reporting:** North Central Community Services Program Board
- Adopted:** By NCCSP Board, October 27, 2011 ([Committee revisions 151218](#))

**APPROVING STEPS TOWARD WITHDRAWAL OF MARATHON COUNTY FROM THE TRI-COUNTY JOINT CONTRACT WHICH CREATES THE NORTH CENTRAL COMMUNITY SERVICES PROGRAM BOARD AND TERMINATION OF MARATHON COUNTY'S RELATIONSHIP WITH NORTH CENTRAL HEALTH CARE.**

**WHEREAS**, the Marathon County Board of Supervisors have entered into a series of Joint Contracts to create and renew the North Central Community Services Board as a multi-county community services program with Lincoln and Langlade County; and

**WHEREAS**, the Marathon County Board has determined that a multi-county community services program may no longer meet the needs of the residents of Marathon County; and

**WHEREAS**, the Marathon County Board has determined that it may be in the best interest of the residents of the county to take steps necessary to withdraw from the tri-county agreement and evaluate the creation of a Governance structure to oversee both social services and the department of community programs required, pursuant to 51.42, Wis. Stats.; and

**WHEREAS**, creation of a Human Services Department requires that the county conduct a feasibility study and draft an implementation plan in order to procure state approval; and

**WHEREAS**, it is manifestly fair for the Marathon County Board to advise the partner counties of its intent to withdraw and prudent management to conduct the investigation and fact gathering necessary in order to implement such a substantial change prior to taking a final vote on a resolution to withdraw.

**NOW, THEREFORE, BE IT RESOLVED**, that the Marathon County Board of Supervisors hereby resolves as follows:

1. It is the intent of the Marathon County Board to pursue the creation of a Human Services Department and to vote on a resolution approving withdrawal of Marathon County from the Tri-County Joint Contract which creates the North Central Community Services Program Board and termination of Marathon County's relationship with North Central Health Care.
2. County Administration is hereby directed to:
  - a) Conduct a feasibility study and draft an implementation plan for the creation of a Human Services Department.
  - b) Utilize the Human Services Study previously authorized, which is currently in the Request for Proposal Stage.
  - c) Continue to collaborate with the appropriate officials from Lincoln and Langlade Counties to insure that they are fully advised of Marathon County's findings and to receive their input regarding the effects of Marathon County's withdrawal on the residents of Lincoln and Langlade County prior to any final vote.

**BE IT FURTHER RESOLVED**, that the final vote on a resolution to withdraw will be taken no later than the September, 2016, County Board Meeting.

***Fiscal Impact Estimate:*** Levy Impact of withdrawal is undetermined at this time for 2016 Budget. One purpose of this resolution is to create a mechanism to study fiscal impact. The effect of this resolution on future budgets will be developed through the regular process.