

of the **ANNUAL MEETING**
of the **North Central Community Services Program Board** to be held at **North Central Health Care**
1100 Lake View Drive, Wausau, WI 54403 at **12:00 p.m.** on **Thursday November 17th, 2016**

In addition to attendance in person at the location described above, Board 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. 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.

AGENDA

1. Call to Order the Annual Meeting of the North Central Community Services Program Board and Joint Meeting with Finance, Personnel & Property Committee
2. Public Comment for Matters Appearing on the Agenda
3. Chairman's Report and Announcements– J. Zriny
4. **At 12:00 P.M. OPEN THE PUBLIC HEARING ON THE PROPOSED 2017 BUDGET**
5. Close the Public Hearing
6. Joint Items for the NCCSP Board and Finance, Personnel & Property Committee
 - a. ACTION: Approval of 10/27/2016 Finance, Personnel & Property Committee Meetings Minutes
 - b. October Financials
 - i. ACTION: Accept the Financial Report and October Financial Statements
 - c. Review Write-offs
 - d. Discussion of Potential Write-Off of CIP for Nursing Home Project
 - e. CFO Report
 - f. ACTION: Consideration of Adoption of the 2017 Proposed Budget
 - i. Presentation of Stop Loss Considerations for Health Insurance
 - ii. Review Fund Balance Policy and Status
 - iii. Discussion on Recommendations for Addressing the Nursing Home Operational Deficit
 - iv. Hospital Census and Diversions Review
 - g. Agreement for Facilities Management Services Transition and Implementation Plan
 - i. ACTION: Approval to Execute the Agreement for Facilities Management Services
7. Adjourn Joint Meeting with Finance, Personnel & Property Committee
8. ACTION: Approval of 10/27/2016 NCCSP Board Meeting Minutes
9. Committee Reports
 - a. Executive Committee Report – J. Zriny
 - i. Review Draft Minutes of 11/08/2016 Meeting
 - b. Human Service Operations Committee Report – J. Robinson
 - i. Overview of the 11/11/2016 Meeting
 - c. Nursing Home Operations Committee Report – J. Burgener
 - i. Review Draft Minutes of the 10/31/16 Meeting
 - d. Quality Committee Report
 - i. Overview of Organizational Quality Dashboard
 1. ACTION: Motion to Accept Dashboard as Presented
10. ACTION: Approve Slate of Nominations of NCCSP Board Officers for 2017
11. ACTION: Elect NCCSP Board Officers for 2017
12. Discuss Committee Assignments for 2017
13. Update on Tri-County Agreement Discussions – J. Zriny & M. Loy
14. CEO Report – M. Loy
15. Discussion and Future Agenda Items for Board Consideration or Committee Assignment
16. Adjourn



Presiding Officer or Designee

NOTICE POSTED AT: North Central Health Care
COPY OF NOTICE DISTRIBUTED TO: Wausau Daily Herald, Antigo Daily Journal, Tomahawk Leader, Merrill Foto News,
Langlade, Lincoln & Marathon County Clerks Offices

DATE: 11/11/16 TIME: 4:00 p.m. BY: D. Osowski

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

October 27, 2016

11:30 a.m.

NCHC – Wausau Campus

Present:

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

Others Present: Gary Olsen

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

Public Comment for Matters Appearing on the Agenda

- No public comment made.

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

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

Finance, Personnel & Property Committee Report

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

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

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

CFO Report

- All investments are secured.

Adjourn Joint Meeting with Finance, Personnel & Property Committee

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

MEMO

TO: North Central Health Care Finance Committee
FROM: Brenda Glodowski
DATE: November 11, 2016
RE: Attached Financials

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

BALANCE SHEET

Accounts remain consistent with prior months.

STATEMENT OF REVENUE AND EXPENSES

The month of October shows a loss for the month of (\$65,283) compared to the budgeted loss of (\$39,361) resulting in a negative variance of \$25,642.

Overall revenue exceeded targets for October. The nursing home census did drop compared to the prior month, averaging 199 per day. The target is 210. The hospital continues to be busy, averaging 18 per day compared to the target of 14. Outpatient areas are remaining consistent.

Expenses continue to exceed the targets. The areas that are over target are consistent with prior months. They include health insurance, which is over by \$128,000; state institutes, which are over by \$170,000; Crisis Services, which are over by \$66,000 and, hospital services, which are over by \$33,000. Many support areas continue to run below targets to help offset some of the overage areas.

The cost reduction plans that were implemented in August are continuing to be monitored to try and implement as many cost reduction items as possible.

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

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF NET POSITION
OCTOBER 2016**

	<u>Human Services</u>	<u>Nursing Home</u>	<u>Total</u>	<u>Prior Year Combined</u>
Current Assets:				
Cash and cash equivalents	5,708,463	1,435,034	7,143,497	7,540,264
Accounts receivable:				
Patient - Net	3,201,208	2,437,847	5,639,054	7,422,274
Outpatient - WIMCR	625,000	0	625,000	453,333
Nursing home - Supplemental payment program	0	657,200	657,200	569,255
Marathon County	74,392	0	74,392	191,306
Appropriations receivable	58,205	0	58,205	56,039
Net state receivable	163,592	0	163,592	110,395
Other	527,902	0	527,902	126,476
Inventory	0	303,535	303,535	273,822
Other	<u>299,459</u>	<u>240,107</u>	<u>539,567</u>	<u>344,138</u>
Total current assets	<u>10,658,221</u>	<u>5,073,723</u>	<u>15,731,944</u>	<u>17,087,302</u>
Noncurrent Assets:				
Investments	9,800,000	0	9,800,000	9,300,000
Assets limited as to use	1,928,315	813,867	2,742,182	2,045,556
Restricted assets - Patient trust funds	24,738	37,264	62,002	52,509
Net pension asset	2,690,051	2,156,887	4,846,938	0
Nondepreciable capital assets	349,679	713,580	1,063,259	1,641,517
Depreciable capital assets - Net	<u>7,130,792</u>	<u>3,255,955</u>	<u>10,386,747</u>	<u>10,100,833</u>
Total noncurrent assets	<u>21,923,574</u>	<u>6,977,554</u>	<u>28,901,128</u>	<u>23,140,415</u>
Deferred outflows of resources - Related to pensions	<u>2,692,772</u>	<u>2,159,070</u>	<u>4,851,842</u>	<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>35,274,567</u>	<u>14,210,346</u>	<u>49,484,913</u>	<u>40,227,717</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF NET POSITION
OCTOBER 2016**

	<u>Human Services</u>	<u>Nursing Home</u>	<u>Total</u>	<u>Prior Year Combined</u>
Current Liabilities:				
Current portion of related-party note payable	151,257	0	151,257	148,264
Accounts payable - Trade	1,125,795	902,665	2,028,460	2,269,795
Appropriations advances	1,284,126	0	1,284,126	1,314,272
Accrued liabilities:				
Salaries and retirement	710,554	569,723	1,280,277	1,496,546
Compensated absences	831,443	666,652	1,498,095	1,510,737
Health and dental insurance	451,770	362,230	814,000	652,000
Other Payables	186,693	149,690	336,383	422,809
Amounts payable to third-party reimbursement programs	416,667	0	416,667	475,214
Unearned revenue	<u>288,298</u>	<u>0</u>	<u>288,298</u>	<u>188,631</u>
Total current liabilities	<u>5,446,602</u>	<u>2,650,961</u>	<u>8,097,563</u>	<u>8,478,270</u>
Noncurrent Liabilities:				
Related-party note payable	636,181	0	636,181	787,438
Patient trust funds	<u>24,738</u>	<u>37,264</u>	<u>62,002</u>	<u>52,509</u>
Total noncurrent liabilities	<u>660,919</u>	<u>37,264</u>	<u>698,183</u>	<u>839,947</u>
Total liabilities	<u>6,107,521</u>	<u>2,688,225</u>	<u>8,795,746</u>	<u>9,318,217</u>
Deferred inflows of resources - Related to pensions	<u>47,105</u>	<u>37,768</u>	<u>84,873</u>	<u>0</u>
Net Position:				
Net investment in capital assets	7,480,471	3,969,535	11,450,006	11,742,350
Unrestricted	16,697,901	4,206,828	20,904,728	18,844,824
Restricted - Pension benefit	5,329,949	4,273,563	9,603,512	0
Operating Income / (Loss)	<u>(388,379)</u>	<u>(965,573)</u>	<u>(1,353,952)</u>	<u>322,326</u>
Total net position	<u>29,119,942</u>	<u>11,484,352</u>	<u>40,604,294</u>	<u>30,909,499</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>35,274,567</u>	<u>14,210,346</u>	<u>49,484,913</u>	<u>40,227,717</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR PERIOD ENDING OCTOBER 31, 2016**

TOTAL	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
Revenue:						
Net Patient Service Revenue	<u>\$3,737,180</u>	<u>\$3,629,945</u>	<u>\$107,235</u>	<u>\$36,381,414</u>	<u>\$36,036,713</u>	<u>\$344,701</u>
Other Revenue:						
State Match / Addendum	324,658	325,120	(462)	3,246,580	3,251,197	(4,617)
Grant Revenue	239,164	190,628	48,535	2,071,195	1,905,833	165,361
County Appropriations - Net	740,619	740,566	53	7,406,190	7,405,657	533
Departmental and Other Revenue	<u>228,991</u>	<u>200,733</u>	<u>28,258</u>	<u>2,525,821</u>	<u>2,006,580</u>	<u>519,241</u>
Total Other Revenue	<u>1,533,432</u>	<u>1,457,047</u>	<u>76,385</u>	<u>15,249,785</u>	<u>14,569,267</u>	<u>680,519</u>
Total Revenue	5,270,612	5,086,993	183,620	51,631,199	50,605,980	1,025,220
Expenses:						
Direct Expenses	3,983,437	3,695,595	287,842	40,101,845	36,388,466	3,713,380
Indirect Expenses	<u>1,364,402</u>	<u>1,438,258</u>	<u>(73,855)</u>	<u>13,007,655</u>	<u>14,197,300</u>	<u>(1,189,646)</u>
Total Expenses	<u>5,347,840</u>	<u>5,133,853</u>	<u>213,987</u>	<u>53,109,500</u>	<u>50,585,766</u>	<u>2,523,734</u>
Operating Income (Loss)	<u>(77,228)</u>	<u>(46,860)</u>	<u>(30,368)</u>	<u>(1,478,301)</u>	<u>20,214</u>	<u>(1,498,514)</u>
Nonoperating Gains (Losses):						
Interest Income	10,436	7,500	2,936	97,662	75,000	22,662
Donations and Gifts	1,509	0	1,509	21,529	0	21,529
Gain / (Loss) on Disposal of Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,158</u>	<u>0</u>	<u>5,158</u>
Total Nonoperating Gains / (Losses)	<u>11,945</u>	<u>7,500</u>	<u>4,445</u>	<u>124,348</u>	<u>75,000</u>	<u>49,348</u>
Income / (Loss)	<u>(\$65,283)</u>	<u>(\$39,360)</u>	<u>(\$25,923)</u>	<u>(\$1,353,952)</u>	<u>\$95,214</u>	<u>(\$1,449,166)</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR PERIOD ENDING OCTOBER 31, 2016**

51.42/.437 PROGRAMS	<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>\$1,571,301</u>	<u>\$1,543,572</u>	<u>\$27,729</u>	<u>\$16,213,686</u>	<u>\$15,401,708</u>	<u>\$811,978</u>
Other Revenue:						
State Match / Addendum	324,658	325,120	(462)	3,246,580	3,251,197	(4,617)
Grant Revenue	239,164	190,628	48,535	2,071,195	1,905,833	165,361
County Appropriations - Net	598,953	598,899	54	5,989,530	5,988,990	540
Departmental and Other Revenue	<u>164,389</u>	<u>169,437</u>	<u>(5,048)</u>	<u>1,836,949</u>	<u>1,693,624</u>	<u>143,324</u>
Total Other Revenue	<u>1,327,164</u>	<u>1,284,084</u>	<u>43,079</u>	<u>13,144,253</u>	<u>12,839,644</u>	<u>304,609</u>
Total Revenue	2,898,465	2,827,657	70,808	29,357,940	28,241,352	1,116,587
Expenses:						
Direct Expenses	2,331,607	2,044,970	286,637	22,872,001	20,118,476	2,753,525
Indirect Expenses	<u>760,280</u>	<u>822,379</u>	<u>(62,098)</u>	<u>6,992,215</u>	<u>8,117,846</u>	<u>(1,125,631)</u>
Total Expenses	<u>3,091,888</u>	<u>2,867,348</u>	<u>224,539</u>	<u>29,864,215</u>	<u>28,236,322</u>	<u>1,627,894</u>
Operating Income (Loss)	<u>(193,423)</u>	<u>(39,691)</u>	<u>(153,731)</u>	<u>(506,276)</u>	<u>5,030</u>	<u>(511,306)</u>
Nonoperating Gains (Losses):						
Interest Income	10,436	7,500	2,936	97,662	75,000	22,662
Donations and Gifts	1,080	0	1,080	15,077	0	15,077
Gain / (Loss) on Disposal of Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,158</u>	<u>0</u>	<u>5,158</u>
Total Nonoperating Gains / (Losses)	<u>11,516</u>	<u>7,500</u>	<u>4,016</u>	<u>117,896</u>	<u>75,000</u>	<u>42,896</u>
Income / (Loss)	<u>(\$181,906)</u>	<u>(\$32,191)</u>	<u>(\$149,715)</u>	<u>(\$388,379)</u>	<u>\$80,030</u>	<u>(\$468,410)</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR PERIOD ENDING OCTOBER 31, 2016**

NURSING HOME	<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>\$2,165,879</u>	<u>\$2,086,373</u>	<u>\$79,506</u>	<u>\$20,167,728</u>	<u>\$20,635,005</u>	<u>(\$467,277)</u>
Other Revenue:						
County Appropriations - Net	141,666	141,667	(1)	1,416,660	1,416,667	(7)
Departmental and Other Revenue	<u>64,602</u>	<u>31,296</u>	<u>33,306</u>	<u>688,872</u>	<u>312,956</u>	<u>375,916</u>
Total Other Revenue	<u>206,268</u>	<u>172,962</u>	<u>33,306</u>	<u>2,105,532</u>	<u>1,729,622</u>	<u>375,910</u>
Total Revenue	2,372,146	2,259,335	112,812	22,273,260	22,364,628	(91,368)
Expenses:						
Direct Expenses	1,651,830	1,650,625	1,205	17,229,845	16,269,990	959,855
Indirect Expenses	<u>604,122</u>	<u>615,879</u>	<u>(11,757)</u>	<u>6,015,440</u>	<u>6,079,454</u>	<u>(64,015)</u>
Total Expenses	<u>2,255,952</u>	<u>2,266,505</u>	<u>(10,552)</u>	<u>23,245,285</u>	<u>22,349,444</u>	<u>895,840</u>
Operating Income (Loss)	<u>116,194</u>	<u>(7,169)</u>	<u>123,364</u>	<u>(972,025)</u>	<u>15,183</u>	<u>(987,208)</u>
Nonoperating Gains (Losses):						
Interest Income	0	0	0	0	0	0
Donations and Gifts	429	0	429	6,452	0	6,452
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>429</u>	<u>0</u>	<u>429</u>	<u>6,452</u>	<u>0</u>	<u>6,452</u>
Income / (Loss)	<u>\$116,623</u>	<u>(\$7,169)</u>	<u>\$123,792</u>	<u>(\$965,573)</u>	<u>\$15,183</u>	<u>(\$980,756)</u>

**NORTH CENTRAL HEALTH CARE
REPORT ON AVAILABILITY OF FUNDS
October 31, 2016**

BANK	LENGTH	MATURITY DATE	INTEREST RATE	AMOUNT	Collateralized
People's State Bank	365 Days	10/30/2016	0.55%	\$500,000	
Abby Bank	365 Days	1/6/2017	0.75%	\$500,000	X
Abby Bank	730 Days	2/25/2017	0.80%	\$500,000	X
People's State Bank	395 Days	3/28/2017	0.65%	\$250,000	X
CoVantage Credit Union	455 Days	3/30/2017	1.00%	\$500,000	X
CoVantage Credit Union	578 Days	5/7/2017	1.05%	\$500,000	X
BMO Harris	365 Days	5/28/2017	0.80%	\$500,000	X
People's State Bank	395 Days	5/29/2017	0.75%	\$350,000	X
People's State Bank	395 Days	5/30/2017	0.75%	\$500,000	X
Abby Bank	365 Days	7/19/2017	0.85%	\$500,000	X
CoVantage Credit Union	578 Days	7/28/2017	0.85%	\$300,000	X
People's State Bank	365 Days	8/21/2017	0.75%	\$500,000	X
BMO Harris	365 Days	8/26/2017	0.80%	\$500,000	X
Abby Bank	365 Days	8/29/2017	0.85%	\$500,000	X
Abby Bank	365 Days	9/1/2017	0.85%	\$500,000	X
Abby Bank	730 Days	10/29/2017	1.10%	\$500,000	X
CoVantage Credit Union	730 Days	11/18/2017	1.10%	\$500,000	X
Abby Bank	730 Days	12/30/2017	1.10%	\$500,000	X
CoVantage Credit Union	487 Days	1/1/2018	1.10%	\$500,000	X
Abby Bank	730 Days	3/15/2018	1.20%	\$400,000	X
Abby Bank	730 Days	5/3/2018	1.20%	\$500,000	X

TOTAL FUNDS AVAILABLE \$9,800,000

WEIGHTED AVERAGE 504.58 Days 0.904% INTEREST

NCHC-DONATED FUNDS

Balance Sheet

As of October 31, 2016

ASSETS

Current Assets

Checking/Savings

CHECKING ACCOUNT

Adult Day Services	5,489.38
Adventure Camp	1,425.79
Birth to 3 Program	2,035.00
Clubhouse	31,037.86
Community Treatment	10,593.28
Fishing Without Boundries	3,913.00
General Donated Funds	61,335.38
Housing - DD Services	1,370.47
Langlade HCC	3,180.42
Legacies by the Lake	
Music in Memory	1,638.25
Legacies by the Lake - Other	3,356.87
Total Legacies by the Lake	4,995.12
Marathon Cty Suicide Prev Task	18,759.25
National Suicide Lifeline Stipe	3,176.37
Northern Valley West	2,326.00
Nursing Home - General Fund	6,619.78
Outpatient Services - Marathon	101.08
Pool	11,412.78
Prevent Suicide Langlade Co.	2,444.55
Resident Council	771.05
United Way	-105.44

Total CHECKING ACCOUNT 170,881.12

Total Checking/Savings 170,881.12

Total Current Assets 170,881.12

TOTAL ASSETS 170,881.12

LIABILITIES & EQUITY

Equity

Opening Bal Equity	123,523.75
Retained Earnings	35,991.07
Net Income	11,366.30

Total Equity 170,881.12

TOTAL LIABILITIES & EQUITY 170,881.12

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

Month Ending October 31, 2016

ACCOUNT DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	YTD ACTUAL	YTD BUDGET	DIFFERENCE
<u>REVENUE:</u>					
Total Operating Revenue	<u>5,270,612</u>	<u>5,086,993</u>	<u>51,631,199</u>	<u>50,605,980</u>	<u>1,025,220</u>
<u>EXPENSES:</u>					
Salaries and Wages	2,401,054	2,636,578	24,780,148	25,840,420	(1,060,272)
Fringe Benefits	1,049,776	976,665	10,309,638	9,572,251	737,387
Departments Supplies	450,897	466,527	4,531,493	4,665,271	(133,778)
Purchased Services	472,945	265,981	4,742,318	2,699,813	2,042,504
Utilitites/Maintenance Agreements	415,636	335,097	3,401,577	3,277,967	123,611
Personal Development/Travel	33,589	39,229	343,565	392,292	(48,727)
Other Operating Expenses	121,726	153,317	1,043,762	1,533,168	(489,405)
Insurance	36,415	47,292	368,764	472,917	(104,153)
Depreciation & Amortization	132,664	138,167	1,298,977	1,381,667	(82,689)
Client Purchased Services	<u>233,137</u>	<u>75,000</u>	<u>2,289,256</u>	<u>750,000</u>	<u>1,539,256</u>
TOTAL EXPENSES	5,347,840	5,133,853	53,109,500	50,585,766	2,523,734
Nonoperating Income	<u>11,945</u>	<u>7,500</u>	<u>124,348</u>	<u>75,000</u>	<u>49,348</u>
EXCESS REVENUE (EXPENSE)	<u>(65,283)</u>	<u>(39,360)</u>	<u>(1,353,952)</u>	<u>95,214</u>	<u>(1,449,166)</u>

**North Central Health Care
Write-Off Summary
October 2016**

	<u>Current Month</u>	<u>Current Year To Date</u>	<u>Prior Year To Date</u>
<i>Inpatient:</i>			
Administrative Write-Off	\$1,648	\$138,034	\$73,054
Bad Debt	\$80	\$11,069	\$1,718
<i>Outpatient:</i>			
Administrative Write-Off	\$14,531	\$159,758	\$89,993
Bad Debt	\$187	\$7,448	\$2,371
<i>Nursing Home:</i>			
Daily Services:			
Administrative Write-Off	\$1,035	\$51,124	\$31,173
Bad Debt	\$2,512	\$20,435	\$25,520
Ancillary Services:			
Administrative Write-Off	(\$1,127)	\$40,993	\$49,818
Bad Debt	\$0	(\$285)	\$576
Pharmacy:			
Administrative Write-Off	\$0	\$0	\$0
Bad Debt	\$0	\$0	\$0
Total - Administrative Write-Off	\$16,087	\$389,909	\$244,038
Total - Bad Debt	\$2,779	\$38,667	\$30,185

**North Central Health Care
2016 Patient Days**

<u>Month</u>		<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budgeted Occupancy</u>	<u>Actual Occupancy</u>
January	Nursing Home	6,510	6,441	(69)	87.50%	86.57%
	Hospital	434	402	(32)	87.50%	81.05%
February	Nursing Home	6,090	5,953	(137)	87.50%	85.53%
	Hospital	406	407	1	87.50%	87.72%
March	Nursing Home	6,510	6,363	(147)	87.50%	85.52%
	Hospital	434	458	24	87.50%	92.34%
April	Nursing Home	6,300	6,131	(169)	87.50%	85.15%
	Hospital	420	462	42	87.50%	96.25%
May	Nursing Home	6,510	6,467	(43)	87.50%	86.92%
	Hospital	434	377	(57)	87.50%	76.01%
June	Nursing Home	6,300	6,080	(220)	87.50%	84.44%
	Hospital	420	416	(4)	87.50%	86.67%
July	Nursing Home	6,510	6,149	(361)	87.50%	82.65%
	Hospital	434	452	18	87.50%	91.13%
August	Nursing Home	6,510	6,290	(220)	87.50%	84.54%
	Hospital	434	464	30	87.50%	93.55%
September	Nursing Home	6,300	6,155	(145)	87.50%	85.49%
	Hospital	420	468	48	87.50%	97.50%
October	Nursing Home	6,510	6,161	(349)	87.50%	82.81%
	Hospital	434	548	114	87.50%	110.48%
November	Nursing Home			0	0.00%	0.00%
	Hospital			0	0.00%	0.00%
December	Nursing Home			0	0.00%	0.00%
	Hospital			0	0.00%	0.00%

Name of Policy:		 North Central Health Care <small>Person centered. Outcome focused.</small>
FUND BALANCE		
Policy #: LD-0036		
Primary Approving Body: Finance Committee	Committee Approvals: Board of Directors	

I. Policy Statement

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

II. Purpose

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

III. Definitions

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

Operational Surplus – Excess revenue over expenses from operations.

Operational Deficit – Excess expense over revenues from operations.

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

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

IV. General Procedure

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

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

V. Program-Specific Requirements:

None

References:

Facilities Management Services Transition and Implementation Plan

By

Marathon County Administration

And Affecting

North Central Health Care

Whereas, Marathon County adopted R-6-16, dated January 19, 2016, which provides that Marathon County Administrator is hereby authorized to develop a Transition Plan to transfer maintenance responsibilities at North Central Health Care Campus from North Central Health Care to the Marathon County Department of Facilities and Capital Management; and

Whereas the Marathon County Administrator was authorized and empowered to take actions necessary to effectuate the purposes of the above referenced resolution; and

Whereas, the parties to this Transition Plan (hereinafter referred to as the "Plan") are Marathon County, a political subdivision of the State of Wisconsin located at 500 Forest Street, Wausau, Wisconsin (hereinafter referred to as "the County"); and North Central Health Care, a multi-county department of community programs constituted by a Joint County Agreement between Langlade, Lincoln and Marathon Counties pursuant to §§ 51.42 and 66.0301, Wis. Stats., (hereinafter referred to as "NCHC").

Now therefore it is hereby ordered by the Marathon County Administrator that effective the first (1st) day of January, 2017 ("Effective Date"):

- 1. Services to be performed by County.** The County, through its Department of Facilities and Capital Management, will perform the duties, tasks, responsibilities, schedule, and deliverables set forth in Attachment 1 (collectively referred to herein as "Services"), a copy of which is attached hereto and fully incorporated herein. Changes to any specifications of the Services may necessitate an amendment to Attachment 1 and may result in additional charges.
- 2. Term of the Plan.** The purpose of this Plan is to provide a framework for the transition of responsibility for facilities maintenance from NCHC to the County at County-owned facilities currently occupied by NCHC, as designated in Attachment 2. This Plan is effective as of the Effective Date and for a period of five (5) years thereafter. At the conclusion of the initial five year term, the parties may execute a Memorandum of Understanding with regard to continuing Facilities Management Services or other appropriate documents.
- 3. Payment of Employee Base Salaries and Benefits:** As of January 1, 2017, all persons holding the positions specified in Attachment 1 of this Plan, who are currently employed by NCHC, shall become employees of the County. Marathon County's 2017 budget reflects that

funds for the provision of salary and benefits for each of these positions will be withheld from the County's contribution to NCHC and placed in the budget of the County's Department of Facilities and Capital Management. NCHC will not be billed for services considered basic maintenance and repair, as the terms are described in Attachment 1.

4. **Payment for Services above Basic Maintenance and Repair.** The costs of work required above basic maintenance and repair, as the terms are described in Attachment 1, are to be paid by the NCHC and shall reflect actual cost of labor, administrative and overhead costs, and materials. Rates used by the County to established billed costs for additional work shall be based on annually-established rates of the County. NCHC shall be billed on a monthly basis. NCHC shall pay the County within twenty (20) days of the date of invoice from the County to NCHC.
5. **State and Federal Taxes.** The County and NCHC are both governmental subunits. Therefore no taxes shall be incurred as a result of the Services provided under this Plan.
6. **County Rights to Determine Methods.** The County shall have the right to control and determine the methods and means of performing the Services provided and shall have sole discretion to determine whether such methods and means satisfactorily accomplish the objective of the service being provided. The County will cooperate with NCHC to minimize, to the extent feasible, the degree to which the methods and means impact daily operations of NCHC. The County will contract, pay for and oversee the execution of all outsourced services, as set forth in Attachment 1.
7. **Disputes.** If a dispute related to this Plan arises, the disputing party shall notify the other party of such a dispute in writing, pursuant to the notice provision set forth below, and with sufficient particularity to fully identify the dispute. If the dispute has resulted from a breach of this Plan by the party to be notified, such notification should state the alleged breach and the provision of this Plan which is allegedly breached. All parties shall attempt to resolve the dispute through direct discussions and negotiations. If the dispute cannot be resolved by the parties, a final decision shall be made by the Marathon County Board of Supervisors. Unless otherwise agreed, the parties shall continue to perform according to the terms and conditions of this Plan during the pendency of any dispute resolution process.
8. **No Agency.** Each party to this Plan shall not act as the agent, employee, or servant of the other party. Accordingly, the County's personnel (including employees or agents) shall not be considered the employees or agents of NCHC; and NCHC's personnel (including employees or agents) shall not be considered the employees or agents of the County
9. **Notices.** All notices herein provided to be given, or which may be given, by any party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States Mail, certified and postage prepaid, and addressed as follows, or by hand delivery or by email to the email address also indicated below:

United States Mail, certified and postage prepaid, and addressed as follows, or by hand delivery or by email to the email address also indicated below:

To County at:

Marathon County
Dept. of Facilities and Capital Management
Attn: Director
1308 West Street
Wausau, WI 54401
Email: facilities.capital@co.marathon.wi.us

To NCHC at:

North Central Health Care
Attn: Chief Executive Officer
1100 Lakeview Drive
Wausau, WI 54403
Email: admin@norcen.org

10. **Waiver.** The failure of any party to assert a right under this Plan or to insist upon compliance with any term or condition of this Plan shall not constitute a waiver of that right.
11. **Severability.** If any court determines that any provision of this Plan is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this Plan invalid or unenforceable and such provision shall be modified, amended, or limited only to the extent necessary to render it valid and enforceable.
12. **Entire Plan/Amendment of Plan.** This Plan, along with the applicable Attachments, is the entire Plan as to the subject matter hereof and supersedes all other prior, contemporaneous, or subsequent written or oral communications, including terms and conditions of any purchase order or other documents. This Plan shall not be subject to any change or modifications except by execution of a written instrument signed by the Marathon County Administrator, or by express written consent, pursuant to the process described in Attachment 1, relative to work authorized by NCHC over and above basic maintenance.
13. **Insurance Coverage**
 - A. During the term of this Plan, the County shall procure and maintain in force, at its expense, the following insurance:
 - 1) Property insurance with an extended endorsement covering the property subject to this Plan, described in Attachment 2, in an amount equal to replacement cost of the property.
 - 2) Builder's Risk insurance. During the course of construction of any improvements, additions or alterations to the property subject to this Plan, the County shall obtain and keep in force a Plan of builder's risk insurance in an amount sufficient to cover the cost of repair or replacement of the improvement, addition or alteration, unless Builder's Risk coverage becomes the responsibility of a contractor under separate construction contract.

said employees. In case any work is subcontracted, County shall require the subcontractor to provide statutory Workers' Compensation Insurance for all of the subcontractor's employees, unless such employees are covered by the protection afforded by the County.

B. The County's liability insurer, Wisconsin Municipalities Mutual Insurance (WIMMIC) currently excludes coverage for operations of hospitals, nursing homes and other healthcare facilities from its policy with the County. Therefore, during the term of this Plan, NCHC shall procure and maintain in force, at its expense, the following insurance:

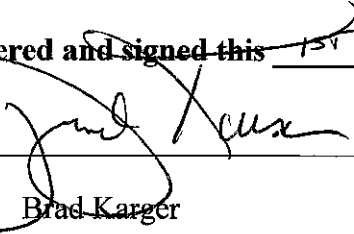
- 1) Comprehensive General Liability, Professional Liability, Automobile Liability and Excess Liability Insurance covering its officers, agents and employees, and including employees of the County performing maintenance and other services, as specified in Attachment 1, pursuant to this plan, and including all buildings, parking lots, sidewalks and other common areas designated in Attachment 2, and their use.
- 2) Said insurance shall cover NCHC and the County, and any subcontractor, regarding claims for damages for personal injuries, including accidental death, as well as from claims for property damage, which may arise from operations under this Plan.
- 3) The coverage limits shall be at least:
 - Comprehensive General Liability \$3,000,000 per occurrence and \$6,000,000 in aggregate for bodily injury and Property Damage.
 - Professional Liability Coverage, \$3,000,000 per occurrence and \$6,000,000 in aggregate.
 - Automobile Liability \$3,000,000 per accident and \$6,000,000 in aggregate for bodily injury and property damage.
 - Excess Liability Coverage, \$6,000,000 over the General Liability and Automobile Liability Coverage.
- 4) On all policies purchased or maintained by NCHC in accordance with this section, NCHC shall add the County as an additional named insured and shall provide certificates of insurance to the County upon request.

5) NCHC shall be entitled to charge back its premiums for the coverage of said employees of the County performing maintenance and other services, as specified in Attachment 1, on a prorated basis.

14. **Assumption of Risk.** Each party shall bear the risk for its own acts and omissions, as it does with all other day-to-day operations.

15. **Immunity.** Nothing contained in this Plan is intended to be a waiver or estoppel of the rights of the County and/or NCHC and their insurers to assert their rights to all affirmative defenses, limitations of liability and immunities as specifically set forth in Wisconsin Statutes, including sections 893.80, 895.52 and 345.05, and related statutes.

Ordered and signed this 1st day of November, 2016



By: Brad Karger

Title: Marathon County Administrator

NCHC acknowledges receipt of this Plan by signing below

North Central Health Care

By: _____

Title: _____

Attachment 1 – Services
NCHC Facility Management Services Plan
Effective January 1, 2017

Under the Facility Maintenance Services Plan, Marathon County will provide facility maintenance for all facilities on the NCHC Campus that are owned by Marathon County and designated in Attachment 2. For all other Facilities in Marathon County, leased by NCHC, maintenance will be performed on only NCHC Moveable/Program Specific Equipment. Grounds care at leased property will be limited to snow removal and lawn mowing.

January 1, 2018 the County's Department of Facilities and Capital Management will take on the custodial responsibilities at the NCHC campus. Details of this consolidation will be addressed in a future amendment to this Plan.

1. Such services will be principally provided by an on-site maintenance staff (herein known as "On-site Maintenance"). The On-site Maintenance staff will consist of employees of Marathon County Department of Facilities and Capital Management and will be operated as described below: On-site Maintenance will initially be staffed in accordance with the staffing detail provided as follows:

- 0.25 FTE Maintenance Director
- 1.0 FTE Assistant Director (On-site Manager)
- 0.5 PTE Administrative Support
- 1.0 FTE Facility Planner
- 1.0 FTE HVAC Controller
- 3.0 FTE HVAC Technicians
- 3.0 FTE Maintenance Specialists
- 5.0 FTE Maintenance/Grounds
- 0.50 FTE Maintenance/Grounds (seasonal full time)

Staffing levels may be adjusted by the County.

2. Basic maintenance and repair will be performed on all building systems and components at the following level of service:
 - a. Maintenance activities will be organized and directed.
 - b. Equipment and building components will be functional and in operating condition, except for routine maintenance and circumstances beyond County's control.
 - c. Service and maintenance calls will be responded to in a timely manner.
 - d. Buildings and equipment will be regularly upgraded to keep them current with modern standards and usage.
 - e. Preventive maintenance will be performed on all building equipment in accordance with the manufacturer's recommended schedule unless modified by the On-site Manager.
 - f. Facilities, equipment and grounds within the scope of this Plan shall be maintained at a level in compliance with all applicable Federal, State, and municipal codes.
3. Work required above basic maintenance and repair, as described in Paragraph 2 above, will be approved by a representative of NCHC (to be designated by NCHC) prior to the work being performed and may be charged as overtime if the work cannot be performed between 7:00am and 7:00pm Monday through Friday. In emergency situations (imminent loss of life or property), the On-site Manager may authorize the work and gain approval after the fact.
4. Billing for services above the standard level of service as described above will be done on an as-needed basis and shall include documentation of the additional charges for labor, materials, and/or contracted services. Appropriate documentation will be provided.
5. Hiring, re-assignment, discipline and termination of staff will be at the discretion of the County's Department of Facilities and Capital Management with management oversight through the County. NCHC's Representative will report any issues with Facilities and Capital Management staff directly to the On-site Manager or the County's Department of Facilities and Capital Management Director.
6. On-site Maintenance staff will be subject to the County's personnel rules and regulations, including but not limited to, pay, benefits, holidays, vacation time, compensatory time, awards, disciplinary action, and overtime. Staff will follow holiday schedules of the County. On-Call Services will be provided on an "as needed" basis during off hours.
7. Cost of Training: Routine, regulatory, safety, and skills training provided to on-site employees by County shall not be charged to NCHC. Specialized training required by law for NCHC operations, that incurs external charges due to use of assets outside of County will be charged back at a per person rate. Specialized training will be billed at cost. Specialized training requirements will be mutually agreed upon by the County and NCHC. Specialized training and associated costs will be approved in advance by NCHC's Representative.

8. Outsourced Maintenance: The On-site Manager will manage all outsourced maintenance and operations contracts and certify that services have been performed in accordance with the applicable contracts. The On-site Manager will identify vendors and obtain quotes for proposed contracts and maintain such contracts. The County will pay for outsourced services. Outsourced contracts may be utilized for, but not limited to the following services:

Elevator Service Contract

Waste Service Removal

Water Treatment

Annual Sprinkler Inspection

Under Ground Fuel Tank Inspections

Duct cleaning

Grease interceptor

Fire Extinguisher Service

Boiler inspections

Annual Backflow Preventer Inspection

Emergency generators and transfer switches / Load Bank tests

9. Work Management: The County intends to procure and utilize a Computerized Maintenance Management System (CMMS) to track preventative and corrective maintenance for the facilities. All work will be documented on the system and all building equipment shall be included in the database. Records or compliance activities for systems such as sprinklers, BFP's, Fire Alarms, fume hood certifications, etc. shall be captured on the CMMS. Such records shall be made available to NCHC for purposes of demonstrating compliance.
10. Equipment and Assets: Existing tools, rolling stock and equipment purchased for the purpose of maintenance/grounds by NCHC or the County shall become the property of the County.
11. Meetings and Inspections: During the first year NCHC and the County will meet twice monthly to evaluate business processes and quality of outcomes and to discuss any new business. Minutes of the meeting shall be kept and used to document commitments. In subsequent years, the meeting may be held once a month. The County's participants will be determined by the Facilities and Capital Management Department Director. NCHC's participants will be determined by NCHC's CEO. NCHC's Representatives shall have the right to conduct periodic reviews and inspections as needed to verify quality levels.
12. Space Allocation: NCHC shall have the ability to assign use of existing program space as designated on Attachment 2. Re-allocation of space which requires any modifications or

improvements to any facility covered by this Plan shall be subject to approval of the County. Any request to utilize space outside of existing program space will need to be approved by the County. This approval authority is contingent on compliance with codes and regulations applicable to NCHC's operations.

13. NCHC shall not make any alterations to the property or do any remodeling in the building, without the prior written consent of the County's Department of Facilities and Capital Management. Renovation or renewal of the structure shall be managed through the County's Department of Facilities and Capital Management. NCHC will support and cooperate with the County's contractors providing the work.
14. Building or Equipment improvement projects below the \$30,000.00 threshold: Routine renewal and replacement projects under \$30,000.00 are considered maintenance projects and will follow the County's procurement rules for such projects regardless of funding source. NCHC shall submit routine renewal and replacement project requests to the County in writing or at the scheduled monthly meeting. Once the project has been defined and the funding source confirmed, implementation of the project will become the responsibility of the County's Department of Facilities and Capital Management. The project will be completed in a timely manner and with the least amount of impact to NCHC's daily operation.
15. Building or Equipment improvement projects above the \$30,000.00 threshold: Routine renewal and replacement projects at or above \$30,000.00 are considered capital projects and will follow the County's procurement rules for such projects regardless of funding source. NCHC shall submit capital project requests to the County in writing or at the scheduled monthly meeting. The County's Department of Facilities and Capital Management will be responsible for moving the project through the Capital Improvement process. Once the project funding source is confirmed, implementation of the project will become the responsibility of the County's Department of Facilities and Capital Management. The project will be completed in a timely manner and with the least amount of impact to NCHC's daily operation.
16. Moveable/Program Specific Equipment of any cost is considered an operational expense of NCHC and one for which they will evaluate need, priority, and budget. Movable/Program Specific Equipment is defined herein as furniture or equipment which is loose, portable, or can be easily detached from the structure. Movable/Program Specific Equipment includes, but is not necessarily limited to, the following:
 - a. Furnishings for new or existing interior spaces;
 - b. Exterior site furnishings at building entrances or on patio areas: benches, patio chairs, tables and umbrella's, planters, swings;
 - c. Maintenance furnishings, such as location-specific waste containers and recycle bins;
 - d. Medical equipment to include but not limited to patient lifts, beds, wheelchairs, med carts, Ice machines, nurse call, shower chairs, scales, tubs, physical/occupational therapy equipment, scientific, or laboratory equipment; and

- e. Food service equipment: Consumables such as dishes, supplies, steam tables, griddle, steamers, steam kettles, mixers, oven, dishwasher.

The County will be responsible for maintenance/preventive maintenance of Moveable/Program Specific Equipment. Note: After 1 year both parties will re-evaluate whether a more efficient process exists for maintenance/preventive maintenance of Moveable/Program Specific Equipment.

All repair parts, replacement items or outside service needed for Moveable/Program Specific Equipment will be requisitioned by the County and purchased by NCHC. Any parts or outside services and their estimated costs shall be approved by the appropriate NCHC's Representative prior to purchase or replacement. Equipment and other moveable assets purchased at NCHC's cost shall become the property of NCHC at the termination of the Plan.

In addition, information technology, audio-visual, production, and other technical or processing equipment, whether permanently attached or not, are also considered Movable/Program Specific Equipment. This equipment will not be maintained by the County.

17. Emergency On-Call: The County will establish and maintain an emergency On-Call system for NCHC use so as to facilitate emergency repairs and responses. After hours coverage shall be provided at all times. A contact list shall be provided to NCHC's Representatives to ensure that NCHC can reach assistance in any circumstance.
18. Coordination with code officials and local emergency response only as it relates to facility maintenance: The On-site Manager or his designee shall be responsible for all coordination regarding facility services, warranties, and facility maintenance activities, and shall be the point of contact for code officials and emergency responders. NCHC will be responsible for all code compliant operational activities including but not limited to coordination of daily activities, inspections, reports, and operational related emergency response.
19. Security: Identification badges shall be worn by all employees while on the job.
20. Sustainability: The County will promote and encourage the use of sustainable practices for building maintenance and operations, such as energy conservation, provided it is justifiable by return on investment and sufficient funds are available to pay for conversion or upgrade.
21. The terms of this Plan may be reviewed by all parties on an annual basis. Upon the review, the terms may be adjusted by the Marathon County Administrator based on the experience of the parties or in order to respond to changing conditions.
22. Confidentiality/HIPAA: During the course of performing assigned duties On-site Maintenance staff may have access to confidential health information and shall handle such information in a confidential manner at all times during and after employment and commit to the following obligations:

- a. Use and disclose confidential health information only in connection with and for the purpose of performing assigned duties
- b. Perform assigned duties while refraining from requesting, obtaining, or communicating any confidential health information other than that which is necessary to accomplish assigned duties
- c. Take reasonable care to properly secure confidential health information and take steps to ensure that others cannot view or access such information
- d. Report any disclosures of confidential health information, including any accidental disclosures, to NCHC's CEO.

NCHC may require On-site Maintenance staff to complete Client Confidentiality/HIPAA training on a regular basis and/or sign a confidentiality agreement. It shall be the responsibility of each party to take corrective action with respect to its employees for failure to fulfill any of the requirements or violation of any of the terms of this paragraph. Such action may include disciplinary action up to and including termination of employment.

23. Force Majeure: Neither party shall be in violation of this plan by reason of any failure in performance without fault or negligence on their part. Such causes may include, but are not restricted to, acts of nature or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, but in every case the failure to perform such must be beyond the reasonable control and without the fault or negligence of the party.
24. Closure of Facilities: Whenever it is determined that any space at NCHC's campus is deemed unsafe for use or occupancy by the Marathon County Administrator, he or she has the authority to close said space until such time as the condition has been sufficiently mitigated or resolved.
25. Subleasing of Space: NCHC shall not have the authority to sublet any portion of any property subject to this Plan.
26. The County shall pay utility cost for gas, electricity, water and sewer, at the North Central Health Care campus, 1100 Lakeview Drive, Wausau, WI 54403. The County will not be responsible for utilities outside of this address. Telecommunication Services are considered an operational expense and will be the responsibility of NCHC.
27. The parties will sign a new Facilities and Use Agreement which will provide for NCHC's continued occupancy of county-owned facilities and which accurately reflects the terms and conditions set forth above.

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

October 27, 2016

11:30 a.m.

NCHC – Wausau Campus

Present:

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

Others Present: Gary Olsen

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

Public Comment for Matters Appearing on the Agenda

- No public comment made.

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

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

Finance, Personnel & Property Committee Report

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

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

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

CFO Report

- All investments are secured.

Adjourn Joint Meeting with Finance, Personnel & Property Committee

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

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

Consideration of 2017 Budget

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

September Financials

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

September NCCSP Meeting Minutes

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

Chairman's Report and Announcements

- Observing the Tri-County Agreement discussions.

Executive Committee Report

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

Finance, Personnel & Property Committee Report

- Covered in Joint meeting.

Human Service Operations Committee Report

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

Nursing Home Operations

- Will defer report to next month.

Quality Committee Report

- Dashboard is included in your packet. No questions.

Medical Staff Credentialing

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

CNA Recruitment-Retention Compensation Strategy

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

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

Update on Tri-County Agreement

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

Update on Investigation

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

2016 Operational Objective Progress

- Discussion deferred.

Amend the NCCSP Bylaws to Include the Collaborative Care Quality Committee

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

CEO Report

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

Future agenda items

- No new items noted.

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

dko

Committee Assignments for 2017

- Executive Committee agreed that committee assignments and committee chairs should remain the same until the Tri-County Agreement is finalized.

CEO Report

- Update on the Tri-County Agreement discussions
 - The Marathon County Board met in Closed Session 10/09/16 for just over two hours to discuss the strategy for negotiating a successor to the Tri-county Joint Contract. The report out was to encourage Marathon County to negotiate the agreement with their two partners. No further details were provided. Meetings will resume next Monday.
 - An email that Robin Stowe sent to Mr. Karger was included in the meeting packet for the County Board. R. Stowe noted that it was his intent to capture the position of Lincoln and Langlade Counties and their willingness to continue to negotiate.
 - J. Zriny had requested Atty John Fisher to review the 'retained authority' concept. Mr. Fisher has raised several concerns which may have conflict with NCHC licensure and certification with the 'retained authority'. This information was shared with Corporation Counsel who indicated he would be speaking with Mr. Fisher. Marathon County must be clear with what they are proposing and if it is legal. At this time they are not interested in contacting the Wisconsin Department of Health Services to discuss this concept. Concern was expressed that this discussion includes the 51.42 services as well as the effects on the hospital licensure, regulations, and funding through Medicare and Medicaid. CMS, Region 5, may also have concern about the 'retained authority' concept as NCHC is the entity responsible for the federal funds provided to the organization. M. Loy will provide the document from J. Fisher to Lincoln and Langlade Counties.
 - M. Loy has been asked not to participate in the meetings. Committee members expressed concern that the CEO of the organization is not being included in discussions. R. Stowe will contact Mr. Karger to request that M. Loy be asked to participate in the meetings moving forward and will also ask if a proposal would be available prior to the meeting next week.
- We received a letter this past week from the Dept. of Health Services asking about one of our supported apartments and whether it should be licensed as a CBRF. A CBRF provides 24/7 care. In a supported apartment we have an office that we lease as an outlet for an individual to come to if they need assistance. The inquiry stems from a situation with an individual in one of our supported apartments, and the family is bringing a lawsuit against NCHC because they believe we should have provided higher care. Since we were not providing 24/7 care we do not provide higher levels of care. In this process, their attorney questioned whether we are a CBRF or a Supported Apartment. The only risk in this case, related to licensing, is that supported apartments are to be integrated with the general public. With many other supported apartments closing in the area, fewer apartment complex options are available thereby some apartment complexes have become 100% supported settings. This is the case in two of the three complexes we utilize for supported apartments. We will be responding to the letter this week.

Agenda for 11/17/16 Board Meeting

- The following items will be included on the agenda for 11/17/16:
 - Public hearing on the proposed 2017 budget
 - Stop loss level discussion
 - Tri-County Agreement Update
 - Possible report from the Warm Water Works Group; dependent on the recommendation of HSOC this week. They have prepared a report for the County Board and will be providing a presentation to NHOC on 11/11/16.
 - Facility Maintenance Transfer Agreement. A copy of the agreement will be included in the packet for input.

Future agenda items for committee

- The next meeting for the Executive Committee scheduled for December 13 is rescheduled to Dec. 8 at 4:00 p.m. R. Stowe indicated he is out of the office Dec. 5-9 and unable to attend.

Motion by R. Stowe to adjourn at 4:47 p.m., seconded by B. Weaver, motion carried 4-0.

dko

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

October 31, 2016

8:00 A.M.

NCHC – Wausau Campus

Present: X Jean Burgener X Bill Metter X Bill Miller
 X John Robinson X Margaret Donnelly

Also Present: Michael Loy, Kim Gochanour, Brenda Glodowski, Becky Schultz, Sue Matis, Bob Weaver

The meeting was called to order at 7:30 a.m.

Public Comments

No comments were made.

Minutes

- **Motion**/second, Metter/Robinson, to approve the 9/23/16 Nursing Home Operations Committee meeting minutes. Motion carried.

Review of Proposed Budget

- The 2017 budget has a projected \$624,000 loss for the nursing home.
- Budget for 2016 census was 210. The nursing home hit a 212 maximum once, and hit target twice.
- A request was made of Marathon County for an additional \$300,000 tax levy at a census of 206.
- The proposed 2017 budget census target is 203.
- A drop of 7 patients per day is the status quo budget.
- We want to offer an alternative to maximize staffing efficiency and balance the budget.
- The Wipfli analysis in 2013 looked at the status of the nursing home industry in terms of Mount View remaining status quo (263 beds), adding assisted living (183 beds; not considered), and remodeling (211 beds). The recommendation was to remodel for 211 beds.
- This is a revenue issue for us.
- The number of long term care residents has been declining. Capacity is 81; currently at 55. The proposal is to downsize to 29, shifting all to Southern Reflections, and vacate the Northern Reflections side.
- Post-acute target 16 with the Medicaid Vent population and 11 on the Medicare side for a total of 27, moving all to North Shore and closing South Shore. Remodeling, then, potentially would only be in half of the building. It would mean downsizing from 52 to the 27 total beds. As of today we have 43 residents in post-acute care.
- This alternative 170 licensed beds; reducing 70 beds in total by end of 2017.
- We are unable to cut enough expenses to match revenue from beds to cover the budget gap unless reducing to this proposal.
- We would plan to reduce 47 by attrition.
- We expect census to continue to decline because of other options in the community and the difficulty in finding the staffing. This would allow us to get to full staffing levels and have a stable census.
- What does this do to our ability to get referrals from others, and to provide a level of care and dependable access?

- Medicare census would be more stable. We are looking to be more of a higher acuity provider of the post-acute care population.
- 100 dementia beds would be left, 11 rehab, 16 vent, and 29 long term care. We want to hit the 16 vent bed census.
- The commission would allow the dementia unit to take residents from other counties to help balance the budget. It would be a good revenue source. We are constrained by physical location of expansion to expand the dementia unit further in its current space.
- Capital items still include the boiler at a half million dollar price. Windows were not included in the budget.
- Nursing home contingency for 2016 is 250,000 but has been used to affect revenue losses.
- The committee expressed concern this proposal hasn't been vetted with our current referral population. Can the proposal be looked at further? Why not just reduce the number of licensed beds? Once reduced you can't get them back.
- Lincoln County licensed beds is at 180 with a current census of 160. They just broke ground for a new 20 bed dementia care unit.
- We have around 30 current residents from out of county that the commission would allow us to bill for.
- We could be flexible in how to use some of the beds.
- Reducing beds from 240 to 170 is a 30% reduction, which is huge. We need to make sure we haven't missed something. Should we ask Wipfli to do another current analysis? We need support to make sure this is the way we need to go. The proposal is to address balancing the budget and may not necessarily be the right thing to do. We have to be more focused on doing what is right long term. We need to invest dollars in what is right. We need experts to support our direction.
- How does it all tie in to our mission? It is a difficult time because of county levy limits. We need to be aggressive, but it is a major policy decision. The making of the decision needs to be taken to Marathon County, presenting the options and asking which way they want to go. We may have a short term fix with a longer term plan.
- This committee can't lose sight of the fact that the nursing home is Marathon County's home and they have to make the decision on which way to go. Maybe we need more Marathon County members on the Nursing Home Operations Committee.
- This needs to go to the county to get direction. To get to the proposed budget and downsizing would take at least 12 months.
- Could the reserve requirement (fund balances) be amended so it could it be used? The last time we used fund balances for a loss was about ten years ago.
- Aspirus Hospital discharge decisions are up to the patient and/or physician. Margaret Donnelly is working hard to get that changed to have the discharge decisions made by post-acute care providers.
- The Marathon County Finance Committee doesn't see much wiggle room in the budget. They are prioritizing by what legally has to be done, what would be great to have, and what don't they need. Bill Miller, chair of that committee, thinks the nursing home is going to go lower on the priority list.
- The legal obligations we have continue whether or not we continue to run a nursing home.
- Whatever we do, we want to make sure it is in the best interest of our residents. Let's get the county to weigh in on the direction we want to go. What is our commitment to protectively placed individuals, and what is the financial impact if Marathon County gets out of the nursing home business?

- Can county homes put pressure on Medicaid reimbursements? We need to fight the fight with government. Can county government do anything? If Wisconsin reimbursement rates for Medicaid were even at the average in the country we wouldn't have a deficit.
- Michael will speak with other stakeholders and look at vendors for strategic planning
- **Motion/second**, Robinson/Metter, to advance the proposed budget to the Health and Human Services Committee for their input. Motion carried.
- **Motion/second**, Metter/Robinson, that we engage a vendor to identify trends and needs down the road, determine whether we will be able to meet those needs, and to evaluate options. We need to identify state reimbursement as part of this. This would be done in conjunction with the county. Bill Miller felt it needs to be paid for completely from the nursing home budget. Bill Metter felt members on the NCHC board need to do what is best for NCHC, which includes the nursing home, regardless of which county they represent. Motion carried.
- Concerns about timing were expressed. Until the tri-county agreement is settled, we can't go anywhere with this. However, we need information from the county to know in which direction to go.
- The 240 to 220 reduction is already planned. The additional downsizing is what is being proposed and will be looked at in the strategic planning.

Senior Executive Nursing Home Operations and Quality Report

- Overall, the nursing home survey was not a bad survey. We had five citations, four of them in minor areas. All are being corrected.
- We had one tag of hiring staff not qualified. This was related to the nurse working under a stolen identity. That citation is at a level K – immediate jeopardy, because it was considered a pattern because she worked on more than one unit. We do not consider it a pattern as it was only one individual. We are in compliance. We will dispute it via an IDR (Informal Dispute Resolution), and are working with our attorney.
- We reported the nurse in August to the Office of Inspector General. We had a 60 day window to repay any Medicare funds related to that. Corporation Counsel worked on determining a calculation method for reimbursement. It was determined we needed to reimburse Medicare about \$13,000. We will wait to see if they accept that determination.
- This survey had the least number of citations in five years.
- There were five minor citations in the environmental area, including the fire protection area. A plan of correction is being worked on. The county needs to understand how survey's work since they oversee maintenance now.
- It will hurt our five star rating; however, the five star rating is not strictly a quality of care rating.

Other

- The CNA wage position statement was approved. We are going back to federal training requirements. There needs to be more providers doing the testing piece to speed up the process of testing out CNAs.

Motion/second, Robinson/Metter, to adjourn the Nursing Home Operations Committee meeting at 8:45 a.m. Motion carried.



North Central Health Care
Person centered. Outcome focused.

QUALITY OUTCOME DASHBOARD

DEPARTMENT: NORTH CENTRAL HEALTH CARE

FISCAL YEAR: 2016

PRIMARY OUTCOME GOAL	Continuous Improvement Target	Benchmark	↑ ↓	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	2015
PEOPLE																	
Vacancy Rate	6-8%	N/A	↓	8.0%	5.8%	4.8%	5.2%	3.9%	6.2%	4.7%	7.0%	8.1%	9.2%			6.3%	7.6%
Employee Turnover Rate*	20-23%	17%	↓	19.6%	29.2%	29.3%	28.4%	26.3%	27.6%	28.2%	30.2%	31.0%	30.2%			31.0%	28.9%
SERVICE																	
Patient Experience: Satisfaction Percentile Ranking	70-84th Percentile	N/A	↑	53rd	48th	45th	46th	53rd	48th	42nd	40th	37th	64th			45th	51st
Community Partner Satisfaction	75-80%	N/A	↑	\	\	77%	\	\	72%	\	\	70%	\	\		75%	76%
CLINICAL																	
Nursing Home Readmission Rate	11-13%	18.2%	↓	13.8%	6.7%	12.0%	10.7%	14.8%	21.1%	12.5%	3.2%	8.7%	15.0%			11.3%	13.7%
Psychiatric Hospital Readmission Rate	9-11%	16.1%	↓	12.8%	11.1%	3.2%	5.0%	7.2%	11.4%	11.7%	21.4%	11.5%	10.2%			10.6%	10.8%
AODA Relapse Rate	18-21%	40-60%	↓	30.0%	33.3%	20.7%	25.0%	24.3%	27.3%	36.1%	28.6%	31.8%	0.0%			27.7%	20.7%
COMMUNITY																	
Crisis Treatment: Collaborative Outcome Rate	90-97%	N/A	↑	\	\	\	\	100.0%	97.9%	100.0%	93.6%	83.3%	96.2%			93.7%	N/A
Access to Behavioral Health Services	90-95%	NA	↑	58%	65%	87%	86%	92%	93%	80%	84%	75%				80%	73%
Recidivism Rate for OWI	27-32%	44.7%	↓	22.6%	20.5%	29.2%	28.2%	18.2%	7.7%	28.6%	19.4%	20.0%				22.4%	26.4%
FINANCE																	
*Direct Expense/Gross Patient Revenue	58-62%	N/A	↓	71%	65%	66%	64%	65%	67%	67%	60%	60%	62%			65%	63%
Days in Account Receivable	60-65	54	↓	70	65	64	64	58	53	64	54	53	49			49	68

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

PEOPLE	
Vacancy Rate	Total number of vacant positions as of month end divided by total number of authorized positions as of month end.
Employee Turnover Rate	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	
Patient Experience: Satisfaction Percentile Ranking	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>
Community Partner Satisfaction Percent	Percentage of "Good and Excellent" responses to the Overall Satisfaction question on the survey.
CLINICAL	
Nursing Home Readmission Rate	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>
Psychiatric Hospital Readmission Rate	Percent of patients who are readmitted within 30 days of discharge from the Inpatient Behavioral Health hospital for Mental Health primary diagnosis. <i>Benchmark: Medicare Psychiatric Patients & Readmissions in Inpatient Psychiatric Facility Prospective Payment System, May, 2013, The Moran Company</i>
AODA Relapse Rate	Percent for patients admitted to Ambulatory Detoxification or the Behavioral Health hospital for detoxification then readmitted within 30 days of discharge for repeat detoxification. <i>Benchmark: National Institute of Drug Abuse: Drugs, Brains, and Behavior: The Science of Addiction</i>
COMMUNITY	
Crisis Treatment: Collaborative Decision Outcome Rate	Total number of positive responses(4 or 5 response on a 5 point scale) on the collaboration survey distributed to referring partners in each encounter in which a referral occurs.
NCHC Access	% of clients obtaining services within the Best Practice timeframes in NCHC programs. <ul style="list-style-type: none"> • Adult Day Services - within 2 weeks of receiving required enrollment documents • Aquatic Services - within 2 weeks of referral or client phone requests • Birth to 3 - within 45 days of referral • Community Corner Clubhouse - within 2 weeks • Community Treatment - within 60 days of referral • Outpatient Services - within 14 days of referral • Prevocational Services - within 2 weeks of receiving required enrollment documents • Residential Services - within 1 month of referral
Recidivism Rate for OWI	Percentage of people who receive there OWI services from NCHC and then reoffend. <i>Benchmark: 2012-OWI Related Convictions by Violation County and Repeat Offender Status, State of Wisconsin DOT, Bureau of Driver Service, Alcohol & Drug Review Unit</i>
FINANCE	
Direct Expense/Gross Patient Revenue	Percentage of total direct expense compared to gross revenue.
Days in Account Receivable	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>

**North Central Community Services
Program Board**

2017 Officers Ballot

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VICE CHAIR:

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