

CHAMPAIGN COUNTY, ILLINOIS
MINUTES

NURSING HOME BOARD OF DIRECTORS

Thursday, June 12, 2008

**Lyle Shields Meeting Room, Brookens Administrative Center
1776 East Washington Street, Urbana**

7:30 a.m.

DIRECTORS PRESENT: Jan Anderson, Peter Czajkowski, Jason Hirsbrunner, Mark Holley, Charles Lansford, Alan Nudo, Mary Ellen O'Shaughnessey

DIRECTORS ABSENT: None

OTHERS PRESENT: Andrew Buffenbarger (Nursing Home Administrator), Deb Busey (County Administrator of Finance & HR Management), David DeThorne (Senior Assistant State's Attorney), Steve O'Connor (County Board Member), Traci Heiden (Assistant Nursing Home Administrator), C. Pius Weibel (County Board Chair), Mike Scavatto via telephone (Management Performance Associates)

CALL TO ORDER

Chair Lansford called the meeting to order at 7:30 a.m.

ROLL CALL

Busey called the roll. Anderson, Czajkowski, Hirsbrunner, Lansford, Nudo, and O'Shaughnessey were present at the time of roll call.

APPROVAL OF AGENDA/ADDENDUM

MOTION by Hirsbrunner to approve the agenda; seconded by Anderson. **Motion carried.**

GOVERNANCE STRUCTURE – CCNH

Recommendation Regarding Consulting Services Agreement with Management Performance Associates, Inc.

Lansford said the Directors had two proposals for consulting services and management services from Management Performance Associates (MPA) of St. Louis, Missouri. The purpose of this meeting was to discuss the contracts and see if they could come to some resolution about what to recommend to the County Board. Lansford reminded those present that the Board of Directors is an advisory board. The Directors discussed the changes needed with onsite management at the Champaign County Nursing Home (CCNH). The Directors debated the merits of the consulting contract versus the management contract. Hirsbrunner asked Buffenbarger what the management or consulting agreement with MPA would allow him to do that he is currently unable to do. Buffenbarger felt it came back to the governance issue. Most \$15 million businesses do not operate without some kind of central office function or governance group that periodically comes to the organization and makes sure everything on the ground and from a distance is running fine. A central office also watches the market to make sure the organization is in the right types of business all the time. Buffenbarger noted that is his past experience, nursing home even one-fourth the size of CCNH have a

central team including a registered nurse, a finance person, and a construction manager who would come in at least once a quarter to make sure everything was running internally and receive reports on the budget and policies. The central office function is critical to overseeing the entire operation. Buffenbarger felt the contract could provide the County with some guarantee that someone is responsible for watching the daily operations. Hirsbrunner was concerned with the contract because MPA has not come up with anything that is a ground-breaking fix to the problems facing CCNH, such as the nursing shortage, employee absenteeism, and the ongoing issues with the Illinois Department of Public Health. Holley was looking for some kind of progress benchmarks in the contracts, such as the reduction in use of agency nurses by a certain percentage, so the County can evaluate if it is receiving the benefit it should from the management or consulting contract for the money it will be paying to MPA. Nudo concurred with the idea of benchmarks and spoke about other changes he would suggest negotiating into the contract. He noted the Board of Directors exists in an advisory capacity and the CCNH administration is responsible for performance. O'Shaughnessey insisted any contract with MPA should include a clause that if IPDH shuts CCNH down in July, then the County does not owe MPA a penny. The Directors continued to discuss the contracts and the current governance structure at CCNH. Lansford emphasized that everyone he spoke with wanted to save CCNH and the only way to do so is through change to the current failing operation.

The Board of Directors proceeded to hold a conference call with Mike Scavatto of MPA. The Directors asked Scavatto questions about the two contracts. Nudo asked about marketing experience provided by MPA and Scavatto agreed to include it in the contract. Scavatto agreed MPA would be a support for IDPH surveys. Czajkowski asked what expertise MPA would be providing under the contracts to assist in increasing the census. Scavatto explained MPA would take the initiative to set up and implement the plan. They are also responsible for the results. He explained MPA assumes greater responsibility in the management contract. Czajkowski asked about decreasing the use of agency nursing and increasing the number of regular staff nurses. Scavatto explained MPA is typically onsite more during the first year of an engagement than in the second and third years. They need to be onsite to gather firsthand information on the home's situation. The interface between the Nursing Home Administrator and MPA has to be strong and the Administrator has to follow through. Scavatto stated they would try a course of action and if it did not work, then they would try another until they do find one that does work. They need to have the confidence that the implementation will be carried forward by the people at CCNH for it to work. Anderson spoke about the County Board's previous objection to the Nursing Home Administrator being an MPA employee instead of a County employee. She asked why the Nursing Home Administrator should be an MPA employee. Scavatto explained an Administrator who is an MPA employee has stronger accountability. If having MPA employ the Administrator is an unworkable option, then he suggested going with the consulting contract. Czajkowski read in the management contract that the Administrator would still be approved by the County and his/her salary would be approved by the County even though the person is a MPA employee. Scavatto said that was entirely correct, the salary package would be approved by the County and the County has the right to interview the candidate and express their level of comfort or discomfort with the candidate. Holley asked about putting benchmarks in the contract for quality assurance, such as for the number of agency nurses. Scavatto was not willing to say that because MPA looks at agency nurses as one part of a much larger problem and he would rather be held accountable for how MPA does on an overall basis, since the overall direction and financial performance of the facility has to improve on an overall basis. Holley asked about putting benchmarks in the contract on an overall basis. Scavatto would be willing to think about for a management contract, but not for a consulting contract. Hirsbrunner asked if MPA had solution to the problems it pointed out in the pro forma. Scavatto said they can move on things at CCNH, but what works in one nursing home does not necessarily work in another. The most recent report on CCNH had to be done quickly and he would love to get in and understand more of the details. He represented that MPA could make a very positive difference at CCNH. O'Shaughnessey asked how MPA would approach the contract nursing issue. Scavatto explained the first step would be to find out why CCNH has holes that are being filled with agency nurses. The Directors and Scavatto discussed the two possible contracts. Nudo wanted

something written into the contract to allow the County to extract themselves from the contract if they decided it was not working. Scavatto was willing to consider this. Czajkowski asked about any proprietary software MPA might bring to CCNH and what would occur to it if the contract ends. Scavatto explained the only proprietary software MPA uses is Excel, which CCNH already has. MPA has developed some tracking systems, for tracking Medicare per diems as an example that they have given to their clients to keep. The Directors and Scavatto continued to discuss the CCNH operation and the services MPA offers. Lansford thanked Scavatto for his answers and ended the conference call. The Directors discussed the two contracts and how to make a recommendation to the County Board.

MOTION by Czajkowski for the Chair to appoint a negotiating team to negotiate a management contract with Management Performance Associates to be submitted to the County Board; seconded by O'Shaughnessey.

The Directors discussed whether to negotiate one or both of the contracts to present to the County Board. The Directors discussed issues regarding CCNH operations and admissions. Buffenbarger stated his preference that either the County Board or the Board of Directors approve the change in admission policy to separate by payer source before he would enact this change. The Directors discussed the waiting list.

Motion carried.

MOTION by Nudo for the negotiating team to also negotiate the consulting contract with Management Performance Associates to be submitted to the County Board; seconded by Anderson. **Motion carried.**

The Directors agreed to meet on Monday, June 16, 2008 at 6:30 p.m. to hear the results from the negotiating team and select one contract to recommend to the County Board. The Directors discussed their authority to discuss contract terms with Scavatto to develop a recommendation to the County Board.

PUBLIC PARTICIPATION

The following individuals made comments about CCNH: Ralph Langenheim, Carol Ammons, Tara McCauley, Brendan McGinty, James Campbell, Joyce Wilkie, and Robert Ward.

CLOSED SESSION PURSUANT TO 5 ILCS 120/2(C)2 TO CONSIDER COLLECTIVE NEGOTATING MATTERS BETWEEN CHAMAPIGN COUNTY AND ITS EMPLOYEES OR THEIR REPRESENTATIVES

This closed session did not take place.

CLOSED SESSION PURSUANT TO 5 ILCS 120/2(C)1 TO CONSIDER THE APPOINTMENT, EMPLOYMENT, COMPENSATION, DISCIPLINE, PERFORMANCE, OR DISMISSAL OF SPECIFIC EMPLOYEES OF THE CHAMAPIGN COUNTY NURSING HOME

MOTION by Nudo to enter into closed session pursuant to 5 ILCS 120/2(c)6 for to consider collective negotiating matters between Champaign County and its employees or their representatives. He further moved the following individuals remain present: the County Administrator of Finance & HR Management, County's legal counsel, and any County Board members. The motion was seconded by Czajkowski. **Motion carried with a roll call vote of 7 to 0.** The Board of Directors entered into closed session at 10:17 a.m. The Board of Directors resumed open session at 11:27 a.m.

ADJOURNMENT

The meeting adjourned at 11:30 a.m.

Respectfully submitted,

Kat Bork
Administrative Secretary

Secy's note: The minutes reflect the order of the agenda and may not necessarily reflect the order of business conducted at the meeting.