

# NURSING HOME BOARD OF DIRECTORS AGENDA

County of Champaign, Urbana, Illinois  
Thursday, March 11, 2010 – 6:00pm

---

---

In Service Classroom, Champaign County Nursing Home  
500 S. Art Bartell Road, Urbana

**CHAIR:** Mary Ellen O'Shaughnessey  
**DIRECTORS:** Jan Anderson, Peter Czajkowski, Jason Hirsbrunner, Lashunda Hambrick, Alan Nudo, Charles Lansford

## ITEM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF AGENDA/ADDENDUM

IV. APPROVAL OF MINUTES

February 11, 2010

Closed Session – February 11, 2010

V. PUBLIC PARTICIPATION

VI. OLD BUSINESS

None

VII. NEW BUSINESS

a. IDPH Report (Buffenbarger & Noffke)

b. Management Report including market position discussion (Scavotto)

c. Proposal to expand MPA scope of work

VIII. OTHER BUSINESS

None

IX. CLOSED SESSION

Closed Session pursuant to 5 ILCS 120/2©1 to consider the employment, compensation, discipline, performance, or dismissal of an employee.

X. NEXT MEETING DATE & TIME

a. April 15, 2010

XII. ADJOURNMENT

**Board of Directors  
Champaign County Nursing Home  
Urbana, Illinois  
February 11, 2010**

Directors Present: Czajkowski, Hirsbrunner, O'Shaughnessey, Hambrick, Nudo

Directors Absent/Excused: Anderson, Lansford

Also Present: Busey, Scavotto

**1. Call to Order**

The meeting was called to order at 6:05pm by Chair O'Shaughnessey

**2. Roll Call**

Busey called the roll of Directors. A quorum was established.

**3. Agenda & Addendum**

On motion by Hambrick (second Hirsbrunner) the agenda was approved (unanimous).

**4. Approval of Minutes**

On motion by Hirsbrunner (second Czajkowski), the Board approved the open and closed minutes of January 14, 2010.

**5. Public Participation**

There was no public participation.

**6. Old Business**

There was no old business.

**7. New Business**

**a. Management Report**

Scavotto reviewed the operating results for December, which showed a small operating loss of approximately \$(25)k. Private Pay performance in December was exceptionally strong, but Medicare remained sluggish with the program posting an average daily census of 15 for the month. CCNH continues to experience wide swings in its revenue payer mix. There was extended discussion regarding the positioning of the CCNH rehab

program and the overall demand in the local market, with follow-up activities to be pursued by management.

Expenses continue to be under control. Agency costs continue to drop. Productivity for January was down as unscheduled absences spiked.

The restructuring of the IGT remains fluid as there has been no further action scheduled by State HFS.

**b. Organizational Objectives**

After discussion, the organizational objectives were approved (motion Hambrick, second Hirsbrunner). The participants in the Commitment to Quality initiative will be expanded.

**c. Code of Conduct**

The Code of Conduct was approved (motion Nudo, Second Hambrick). Final edits will be made before dissemination.

**8. Other Business**

There was no Other Business

**9. Closed Session**

It was moved (Hirsbrunner) and seconded (Hambrick) that the Board go into closed session pursuant to 5 ILCS 120/2 c 1 to consider the employment, compensation, discipline, performance, or dismissal of an employee.

Busey called the roll, unanimous.

The Board emerged from closed session at 7:40 pm with no action being taken.

**10. Next Meeting Date**

Thursday March 11, 2010, 6 pm.

**11. Adjournment**

Chair O'Shaughnessey declared meeting adjourned at approximately 7:45 pm.

Respectfully submitted

Michael A. Scavotto  
Recording Secretary

To: Board of Directors  
Champaign County Nursing Home

From: M.A. Scavotto  
Manager

Date: March 3, 2010

Re: Management Report

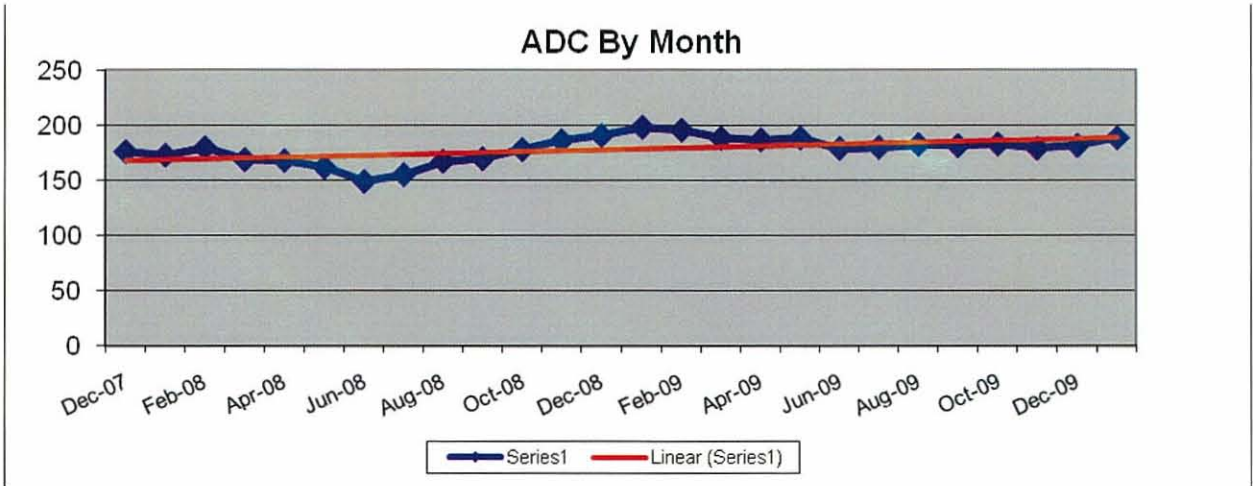
As I write this update, census has been running in the mid-180s. You will see from the statistics (below), we had more admits than discharges in January.

Financial statements are not yet completed for January and there will be further discussion of this situation at the Board meeting.

Here's what's happened on admissions and discharges.

|                   | Oct-09    | Nov-09    | Dec-09    | Jan-010   |
|-------------------|-----------|-----------|-----------|-----------|
| <b>Admits</b>     |           |           |           |           |
| Pvt Pay/Insurance | 4         | 9         | 12        | 8         |
| Medicare A        | 12        | 12        | 18        | 16        |
| Medicaid          | 1         | 0         | 1         | 1         |
| <b>Total</b>      | <b>17</b> | <b>21</b> | <b>31</b> | <b>25</b> |
| <b>Discharges</b> |           |           |           |           |
| Pvt Pay/Insurance | 8         | 15        | 11        | 13        |
| Medicare A        | 10        | 6         | 11        | 7         |
| Medicaid          | 2         | 4         | 4         | 1         |
| <b>Total</b>      | <b>20</b> | <b>25</b> | <b>26</b> | <b>21</b> |

January's mix was 42 percent Private Pay, 47 percent Medicaid, and 11 percent Medicare A. Both private pay and Medicare A were up over December. Census for January reflected an average of 188.5



I am enclosing the recent exhibit I prepared on Champaign County market characteristics, which I hope you have found useful. ( Refer to the two pdf attachments in the Board mailing.)

To: Board of Directors  
Champaign County Nursing Home

From: M.A. Scavotto  
Manager

Date: March 3, 2010

Re: Proposed Amendment to MPA Contract  
Financial Reporting  
Business Office Management Services

The purpose of this memorandum is to formalize our proposal regarding the business office management at Champaign County Nursing Home (CCNH).

You have asked for a proposal from MPA where MPA would provide the direction of the business office and the financial reporting, i.e., business office management services. The current vacancy in the Comptroller position has created a situation where both quick action and greater management capability are preferred.

By financial reporting, I mean the monthly financial statements. Billing, accounts payable, collection activities and payroll would continue as they do now. Where there are good people in place at CCNH, there is no reason to change processes that are functioning well. I emphasize that strengths of the current operation remain in place and are performed in Urbana. The financial reporting and/or preparation/review of revenue, expense and other financial information from CCNH would be transferred to MPA.

The financial reporting function will be completed remotely from MPA in St. Louis by John Bachmann, CPA. Mr. Bachmann's qualifications are provided under Senior Staff at [www.healthcareperformance.com](http://www.healthcareperformance.com). The information system (MDI's Matrix system) would remain in place. MPA will determine with County IT the preferred method of accessing the MDI Matrix system. MPA currently accesses DeKalb's system via a secure connection provided and authorized by County IT. As a practical matter, the current CCNH MDI Matrix system is a Web-based application and accessing Matrix should be simplified by creating password and authorization status for MPA. MPA will execute the required security and HIPAA documents to assure confidentiality of protected health information.

MPA's goal in this endeavor is to create a system for business office management that lowers costs and strengthens accounting procedures and financial reporting. This approach has been in place at DeKalb County for over a year and it is working well. Our

DeKalb experience indicates that we can eliminate multiple routines and make the business functions more effective.

Significantly, DeKalb recognized a savings of approximately 40 percent; its accounting procedures improved dramatically and its most recent annual audit went very smoothly; supervision is better and reporting is timely. MPA began serving Rock Island County in this capacity in mid-February 2010.

If this endeavor fails, CCNH's fall-back position is to reduce MPA's scope of work to that provided for in the original agreement and to hire its own Business Manager (Comptroller). MPA will cooperate fully with any transition back to an in-house business manager.

Current costs for the business manager's position are approximately \$101,250 based on an annual salary of \$75,000 plus a 35 percent benefit load. Our proposal is to provide the financial reporting service at \$60,000 per year, a savings of 40 percent over your current cost. Consistent with the existing management agreement, any travel and related expenses will be reimbursed at our actual cost. Our experience with DeKalb is that travel costs for this expansion of services are minimal; in fact, there have not been any to-date.

If this proposal is accepted, MPA's scope of work under Article IV of the Management Contract will be expanded to include management of business office with specific responsibility to generate the monthly financial statements and direct the accounting process and procedures.

To: Board of Directors  
Champaign County Nursing Home

From: M. A. Scavotto  
Manager

Date: March 3, 2010

Re: Management Update

This is the twentieth in a series of updates designed to keep you current on developments at CCNH.

1. **Census:** CCNH's mix continues to improve. We are not reaching our overall census goal of 195 and are increasing our outreach efforts to get there.
2. **Operations:** The Management Report that accompanies this Board mailing contains a greatly-foreshortened report for January. We will regain our form with the financial statements shortly. Cash after the last payroll in February was about \$540k with a construction payment of approximately \$55k scheduled to be paid.

The smoke barrier project is just a few weeks away from completion.

Mary Ellen will be helping us out with some management training on Friday, March 5.

The dementia program continues to receive education and training from Director Robert Baker. This program is an important one for CCNH and its current status requires continued vigilance.

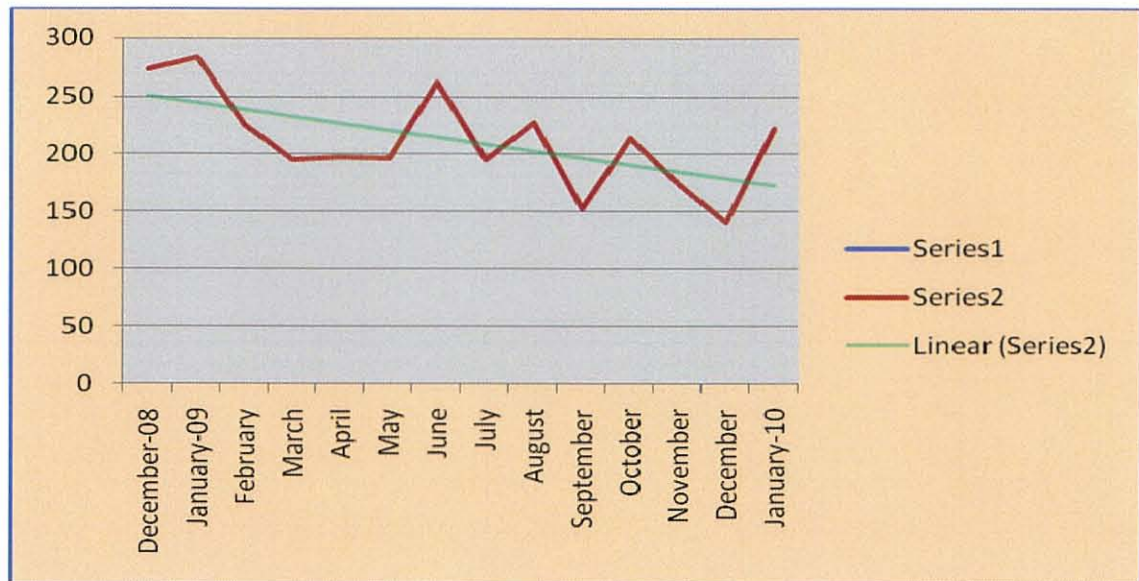
We still have management vacancies to fill in Social Services and in Admissions. The Social Services position is proving to be quite problematical although we just (as of March 1) picked up a lead on a decent candidate. We are expanding the duties of one of our nurses to include liaison with the local hospital discharge coordinators.

The IGT remains in a state of flux. We have learned that the Feds have asked State HFS several questions regarding the State Medicaid plan amendment. (No Intergovernmental Agreement can be executed until the Feds have approved the State plan.) We understand that HF's is working on the answers; for now, there's nothing we can do except sit tight. As a practical matter, I continue to believe that the IGA will happen; the State cannot afford to pass on \$40 million of reimbursement that the Feds currently owe, nor can it ignore the significant pool of money the IGA mechanism allows it to receive from the federal government.



We have retained the Oliver Group to provide predictive index testing services for new employees.

3. **Employees:** I do not have the latest information on unscheduled absences in time for this mailing. Here's what last month looked like:



CCNH employees have held some very successful fund raisers in recent weeks for the benefit of the Bonus Bucks fund.

The Employee of the Month program has been working out well. Now in its third month, we can report that employees are actively nominating co-workers. Winners get a gift certificate, balloons, picture and information page at the entryway intersection; you'll see this posted by the courtyard windows. In addition, the employees of the month get publicly recognized by managers during one of their shifts.

4. **Public Image:** No update since last report.

\*\*\*\*\*

As always, give me a call (314-434-4227) or zap me via e-mail if you have questions or want to discuss anything.