

# NURSING HOME BOARD OF DIRECTORS AGENDA

County of Champaign, Urbana, Illinois

Monday, November 18, 2013 – 6:00pm

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

**CHAIR:** Catherine Emanuel  
**DIRECTORS:** Peter Czajkowski, Lashunda Hambrick, Josh Hartke, Mary Hodson, Gary Maxwell, Robert Palinkas

## ITEM

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF AGENDA
- IV. APPROVAL OF MINUTES  
July 29, 2013 – Strategic Planning Session  
September 9, 2013
- V. PUBLIC PARTICIPATION  
  
OLD BUSINESS  
Strategic Objectives Metrics
- VI. NEW BUSINESS  
Management report  
    Operations (Management Report)  
    Cash Position  
    Management Update  
Quality – Readmissions  
  
Closed Session – Negotiations
- VII. OTHER BUSINESS
- VIII. NEXT MEETING DATE & TIME  
December 9, 2013 – 6:00pm
- X. ADJOURNMENT

**Attachments: Management Report, Management Update**

**Board of Directors  
Champaign County Nursing Home  
Urbana, Illinois  
July 29, 2013**

Directors Present: Czajkowski, Emanuel, Hambrick, Hartke, Hodson, Maxwell, Palinkas

Directors Absent/Excused: none

Also Present: Busey, Gima, Noffke

**1. Call to Order**

The meeting was called to order at 6:05 pm by Vice Chair Palinkas

**2. Roll Call**

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

**3. Agenda & Addendum**

Agenda was approved (motion by Hodson, second by Maxwell, unanimous).

**4. Public Participation**

County Board Chairman, Al Kurtz wished the Board luck in the strategic planning session.

**5. New Business**

A brief discussion concerning the public perception of the Home's operation ensued. The Board discussed concerns regarding the public perception of CCNH and the importance of improving the Home's public image.

Gima provided a summary of the current and pending market changes, risks and opportunities that will impact CCNH including payment and health care delivery reforms. The major pending change is the implementation of the dual-eligible managed care program that is projected to start in 2014. The focus of referrals will shift from the hospitals to the health plans – Health Alliance and Molina Health Care, who will control the health care provider referrals. The Christie Clinic will be participating in a Medicare demonstration program (separate from the dual-eligible program) and will be responsible for coordinating the care of a select group of Medicare recipients.

In both programs the health plans and Christie Clinic will require relationships with SNFs. The referral process will be based on quality criteria. CCNH has been and will continue to collaborate with these entities on the referral criteria. Future trends by these providers will be a focus on care

provided at the appropriate level in the care continuum. Nursing home must be able to care for medically complex hospital transfers. Nursing home Medicare residents will see higher percentages of discharges to home, and placement of long term residents to home and community based services when appropriate.

A SWOT analysis of CCNH was conducted. The Board of Directors directed Gima to develop a set of metrics for the strategic objectives which will be presented at the August meeting.

## **6. Adjournment**

Chair Emanuel declared meeting adjourned at 8:00 p.m.

Respectfully submitted

Scott T. Gima  
Recording Secretary

**Champaign County Nursing Home Board of Directors**  
**Strategic Planning Session – July 29, 2013**  
**SWOT ANALYSIS**

**Strengths:**

- We have one of the newest facilities
- The Nursing Home has operated without a loan from the County for 6 years
- We have a long history of providing long term and skilled nursing care to the elderly in our community
- Our Mission includes providing care to Medicaid (indigent) residents
- Our employees are provided with good wage/benefits packages
- Adult Day Care Program
- Respiratory Care Services
- We currently have a positive relationship with local hospitals and physicians which has increased the medical presence in our facility
- Our physical plant with capacity for 240 residents gives us excess capacity to be strategically utilized and expanded
- Dental Clinic with full-time dental hygienist and pro-bono dentist
- Alzheimer's Unit
- County subsidy
- Increased medical presence
- Large patient rooms
- Not-for-profit

**Weaknesses:**

- Current cash flow – lack of reserves
- No marketing department
- Deferred maintenance on routine maintenance needs of the facility
- Current negative legacy in the community promulgated by public media coverage
- Current census
- Lack of DON
- Don't have an identified strength which we have marketed to the community
- High percentage of LPNs vs. RNs

**Opportunities:**

- Provide luxury, private rooms – specific to Medicare recruitment
- Name change – to change public perception
- Fundraising and development opportunities
- Baby Boomers – aging demographic
- Expand to provide home care – build relationship to provide continuum of care from facility to home and back
- Provide supportive living
- Respite care
- Expand Alzheimer's in acknowledgment of growing need

Create a Demonstration Unit for training of new staff – where our best staff and best practices are implemented on a regular basis  
Focused Medicare Unit

**Threats:**

Expanding market – more competition  
Volatile market in Medicare  
State reimbursements and rates  
Lack of excess revenues  
Excess bed capacity in this region  
Narrow networks – always need to be positioning  
Increasing use of home care vs. facility care

**OBJECTIVES – 1-3 YEARS**

**Medical Management:**

Expand Specialized Services:

- Alzheimer's
- Respiratory Therapy/Pulmonary Therapy
- Rehab Services
- Wound Care Services

Increase medical presence

**Nursing Management:**

Improve clinical nursing skills (RNs vs. LPNs)  
Collaborative training with Carle  
Create Demonstration/Training Unit within the facility  
DON on board

**Outcome Measures:**

Management inspections of operations  
IDPH Scores  
5-Star Rating  
Increased transparency on our mission and outcomes  
Readmission rates tracked and improved  
Select 3-5 key objectives to improve:

- FIM scores
- Patient satisfaction score – “would you refer?”

**Financial Measures:**

Improved census  
Reduce operating loss  
Achieve Payor mix goals

Increase in Medicare

Develop defined marketing strategy

Fund development through fundraising projects/efforts

**Board of Directors  
Champaign County Nursing Home  
Urbana, Illinois  
September 9, 2013**

Directors Present: Emanuel, Hartke, Hodson, Maxwell, Palinkas

Directors Absent/Excused: Czajkowski, Hambrick

Also Present: Busey, Gima, Noffke

**1. Call to Order**

The meeting was called to order at 6:10 pm by Chair Emanuel

**2. Roll Call**

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

**3. Agenda & Addendum**

Agenda was approved (motion by Hodson, second by Maxwell, unanimous).

**4. Approval of Minutes**

The minutes of August 12, 2013 were approved as submitted (motion by Hartke, second by Hodson, unanimous).

**5. Public Participation**

Patsi Petri, Champaign County Board member made the following points: 1) the strategic objectives metrics were not included in the board packet, 2) because of the consistent inquiries from the public, the county board members should receive the flash updates, and 3) as it is budget time, the members of the Board of Directors should be judicious with the expenditures of the Home.

**6. Old Business**

The list of strategic objectives/metrics for medical management, nursing management, non-financial metrics and financial metrics were presented to the Board of Directors. There were no changes to the medical management metrics. The metric for all nurse education/training will be 90% by the end of 2014. Skills training and staff education metric will be combined. At the October meeting, Gima will provide the comparative 30-day readmission rate, the percentage of Pinnacle scores above the national average, and a comparative turnover rate metric. The Board also requested that agency usage also be added to the metrics.

## **7. New Business**

Gima reviewed the statistics through August 2013 and financials/cash position as of July 2013. The average daily census (ADC) increased from 182.3 in July to 188.7 in August. Medicare dropped from 18.2 in July to 14.3 in August.

Admissions in August were down to 25 from 37 in July, but discharges at 13 were also down in August compared to 27 in July. Private pay admissions have increased in the past three months.

July showed an operating loss of \$51k, with a positive operating cash position of \$10k after adding back depreciation. On a year-to-date basis, cash from operations close to breakeven, showing a small cash loss of \$394 after adjusting for the \$333k loan write-off that was booked in April. Revenues increased from \$1.09 million in June to \$1.15 million in July. Medicare revenue increased from \$221k to \$266k. Private pay revenue increased from \$402k to \$428k. Expenses increased from \$1.225 million to \$1.290 million. The two contributing factors were wages due to the 4<sup>th</sup> of July holiday and Medicare pharmacy expenses due to a handful of high cost medications.

The cash balance increased from \$632k in June to \$784k in July, showing a slow rebound from May.

The new Assistant Dietary Director started on August 28<sup>th</sup>. No update on the Director of Nursing vacancy. A change in the November meeting from November 4<sup>th</sup> to November 18<sup>th</sup> was approved (motion by Hartke, second by Palinkas, unanimous). Czajkowski's term ends in November and recommendations were requested for individuals with an accounting/financial background.

Gima discussed the current efforts to preserve the IGT in the MMAI program. HFS continues to work on the issue and has stated their commitment to continue the IGT program.

## **8. Next Meeting Date**

Monday, October 7, 2013

## **9. Adjournment**

Chair Emanuel declared meeting adjourned at 7:10 p.m.

Respectfully submitted

Scott T. Gima  
Recording Secretary



To: Board of Directors  
Champaign County Nursing Home

From: Scott T Gima  
Manager

Date: November 12, 2013

Re: Management Update

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### **Strategic Objectives**

The updated strategic objectives are included.

### **Director of Nursing Position**

The interview process of candidates consists of series of interviews including the Administrator, Nursing Management and line staff interviews. To date, no viable candidates have been found. One offer was made a couple of months ago, but that individual decided to remain in the Chicago area after contemplating a move to Champaign. We continue to advertise and are currently working with multiple search firms. The DON position continues to be filled with an interim hire that has been provided by a search firm that also provides interim placement services.

### **Compliance Program Acknowledgement Forms and Board Education**

This is just a reminder to complete the Compliance Program acknowledgement form.

### **Tax Anticipation Warrants - County Borrowing – Senate Bill 1430**

Nursing home property taxes payments are normally paid to the nursing home sometime in the middle of the calendar year. For the past few years, the County Board has approved the use of a tax anticipation warrants to borrow against the property tax receipts and thus allows access to the revenue at the beginning of the fiscal year (December). Prior to 2012, the cash was spent before the warrants were issued due to a high number of months in outstanding accounts payable. By early FY2012, payables were down to approximately 90 days and the the use of the tax anticipation warrant provided a cash cushion. By late summer, cash averages roughly \$1 million with peaks and valleys depending on cash needs in any given month. Accounts payable extends 30 to 60 days out and late interest payments have been reduced if not eliminated.

Going into FY 2014, the passage of senate Bill 1430 provided Counties with the option to obtain bank loans in lieu of a tax anticipation warrant. In November, the County approved the use of a bank loan. Subsequently, the County Treasurer found that the cost of issuance was higher with the bank loan compared to historical issuance costs with the

tax anticipation warrant. As a result, with the County's approval, tax anticipation warrants will be issued in early December.

Tax anticipation warrants are still needed, but the hope is that at some point in the future, the warrants will not be needed. The primary factor is the uncertainty of future regular Medicaid payments. Until such time that the State fiscal condition improves, the prudent course of action is to issue the tax anticipation warrants. The availability of the bank loan provides another option to access working capital or cash, but at this time, the tax anticipation warrants are the best option when borrowing against future property tax revenues.

### **Alzheimer's Unit**

The Champaign Urbana Nursing and Rehab Center (CUNR) has announced that it will be closing its' Alzheimer's unit. That will leave CCNH as the remaining skilled nursing facility Alzheimer's unit. We have received inquiries from current CUNR residents and families. At this time our unit is full and all current empty beds are non-Alzheimer's beds. Placing these residents into the general population is not a viable option.

Clearly, this development provides a strategic opportunity that MPA and administration will look at in light of this recent marketplace development.

### **Veterans' Administration Contract**

A new VA contract is currently under negotiations. Over the past few months, the average daily census of VA residents has increased from an average of two to three or four. The majority of these referrals have been for respite care. At the same time, the VA has stated that they are downsizing their long term care beds which provides the opportunity for additional VA referrals. The agreement typically pays the Medicaid rate, but we are also exploring a higher contract rate for higher acuity referrals.

### **Operating Board Turnover**

Peter Czajkowski's term on the Operating Board will expire in November. LaShunda Hambrick will not be reapplying for re-appointment. Cathy Emanuel has reapplied for another term.

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As always, give me a call (314-434-4227, x21) or contact me via e-mail at [stg@healthcareperformance.com](mailto:stg@healthcareperformance.com).

## **CCNH Continuing Strategic Objectives Metrics October 2013**

### **Medical Management**

#### *Carle Clinic and Christie Clinic*

Carle Clinic – maintain 2 physicians and 2 full-time nurse practitioners

Christie Clinic – maintain current level of care (one physician and one nurse practitioner)

Implement daily rounds on the Medicare unit by January 1, 2014

#### *Expand Specialized Services*

Establish pulmonary clinic by March 1, 2014

Current wound caseload is 16 residents. A specific metric is difficult to determine, because the complexity of wounds will impact the ability to take on a simple versus complicated wound. The indirect metric will be achieving or exceeding the budgeted Medicare census target of 17.

Establish outpatient rehab program by March 1, 2014. This is a shot in the dark. Alliance Rehab has not been able to provide information on space requirements, equipment, licensing application and IDPH approval.

### **Nursing Management**

*Fill Director of Nursing Position in 2014.*

#### *Nurse Education/Training*

Carle Clinic Emergency Department Collaborative Training for nurses and CNAs. CCNH is still working with Health Alliance on the training program which may also include web based training programs. The goal is to train 90% of nurses and CNAs.

IV training through pharmacy – Pharmacy trains all of our nurses. Trainings sessions are held 2x/year and renew not a certification per se. Our goal is 90% of all nurses to be trained. The goal is 90% of nurses trained by end of 2014. What is the current number of IV trained nurses or percentage of nurses currently certified.

Trach education. 90% of all nurses will be trained by the end of 2014.

Skills training opportunities – collaborative effort with Carle Clinic or teaching programs. 90% of all nurses will be trained by the end of 2014.

Staff education from Carle Clinic Nurse Practitioners. Quarterly training is ongoing will see about whether monthly is feasible. Education topics and schedule still to be determined.

### **Non-Financial Metrics**

#### *30-Day Readmission Rate*

National average rate is 19.8 percent. The 25<sup>th</sup> percentile is 14.8 percent and the 75<sup>th</sup> percentile is 23.4 percent. Source: MedPac Report to Congress: Medicare Payment Policy, March 2013. (Data is from 2011).

CCNH will have a current baseline readmission rate by January 1, 2014.

*Pinnacle Survey Scores*

Metric is to meet or exceed national average scores, which are shown below. There are 16 separate survey scores. The summation of all surveys conducted in 2012 resulted in two out of 16 scores exceeded the national average. The metric goal is to have four score exceeding the national average for 2013 and six scores for 2014.

*CMS 5 Star rating*

Increase overall rating from one star to two star by end of 2014

*Other*

Annual turnover rate – Data from American Healthcare Association Quality Report 2013

- 45.0%            2011
- 37.0%            2010
- 42.0%            2009
- 45.1%            2008

**Financial Metrics**

*Average Daily Census*

FY2014 budget projects a 195 average census

*Medicare census*

FY2014 budget projects a 17.0 Medicare census

*Payor Mix*

FY2014 projects the following payor mix:

- Medicare        8.7%
- Medicaid       55.2%
- Private pay     36.1%

*Cash from Operations*

Positive cash flow from operations in FY2014 – 12 month budget projects a \$34k cash contribution from operations

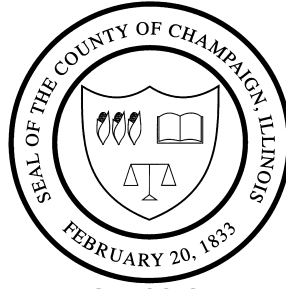
**Alan Kurtz**

Chair

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**Jon Schroeder**

Vice-Chair



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**County Board**  
**Champaign County, Illinois**

**CHAMPAIGN COUNTY NURSING HOME BOARD of DIRECTORS**  
**2014 CALENDAR OF MEETINGS**

**All Meetings held in the In-Service Classroom, Champaign County Nursing Home,**  
**500 Art Bartell Drive, Urbana, IL**

January 13, 2014 - 6pm

February 10, 2014 - 6pm

March 10, 2014 - 6pm

April 14, 2014 - 6pm

May 12, 2014 - 6pm

June 9, 2014 - 6pm

July 14, 2014 - 6pm

August 11, 2014 - 6pm

September 8, 2014 - 6pm

October 6, 2014 - 6pm \*(Note - 1<sup>st</sup> Monday because of Holiday on 2<sup>nd</sup> Monday)

November 10, 2014 - 6pm

December 8, 2014 - 6pm

***Calendar of Nursing Home Board of Directors Presentations to the County Board***

***QUARTERY REPORTS:***

***February 20, 2014 - 7pm - for the quarter ending 11/30/2013***

***May 22, 2014 - 7pm - for the quarter ending 2/28/2014***

***August 21, 2014 - 7pm - for the quarter ending 5/31/2014***

***November 20, 2014 - 7pm - for the quarter ending 8/31/2014***