

**Board of Directors
Champaign County Nursing Home (CCNH) –Minutes
Urbana, Illinois
August 14, 2014**

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

Directors Absent/Excused: Banks

Also Present: Busey, Gima, Noffke, Brunk

1. Call to Order

The meeting was called to order at 6:02 pm by Chair Emanuel.

2. Roll Call

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

3. Agenda & Addendum

Agenda was approved (motion by Hartke, second by Palinkas, unanimous).

4. Approval of Minutes

The minutes of July 14, 2014 were approved as submitted (motion by Hartke, second by Palinkas, unanimous).

5. Public Participation

Mr. Dave Laker complimented that the new Food Service Director on her efforts to improve the food service. However, the system is still not working in his opinion.

6. Progress Report from Healthcare Services Group (HCSG)

Mr. Justin Schneider, Regional Manager of HCSG, explained that Jessica Keith – the new Food Service Director – has made improvements but more need to be done. Staff shortages require Ms. Keith to work positions instead of managing the dietary division. An assistant manager has been hired one week ago that should help this situation. The dietician position still needs to be filled. Other than personnel issues, Mr. Schneider noted other areas of concentration include meal identification and resident satisfaction.

Ms. Emanuel inquired about the strategies to speed up the food service once the residents have been seated for a meal. Mr. Schneider responded that a possibility may be to move the steam table back into the dining room. Mr. Gima noted that the open steam tables were moved into the kitchen due to safety and sanitation issues. To go back to that configuration, the kitchenettes would have to be revamped which would be a capital expense. In the short-term, the meal tickets are prepared two days prior to the meal to help get the meals delivered in a timely fashion. Mr. Hartke asked what was needed to attain the optimal staffing level. Ms. Keith replied that staff is currently short three cooks and four food service workers. Ms. Emanuel asked HCSG to come back next month for a progress report.

7. Review & Approval of FY2015 Nursing Home Budget

Census

The FY2015 is based on a census of 200 of which assumes 18.5 Medicare payors. Mr. Gima felt that CCNH has a strategic advantage over the competition to receive Medicare referrals due to its ability to offer a continuum of care including adult day care, improved therapy services and acceptance of Medicaid cases.

Revenue Rates

The rates remain competitive. Medicaid rates have increased \$5.11/day as of 7/1/14, and Medicare rates will be increased by 3% effective 10/1/14. Management has negotiated Medicare Advantage to be paid at the same rate as Medicare Part A – an increase of \$26.50/day. Mr. Gima recommended that the private pay rates remain flat in FY2015 due to the dietary issues. Ms. Emanuel suggested raising the private pay rate by 5% with the assumption that the food service will improve. This rate will still be below Heartland which is our major competitor. Ms. Hodson commented that the public views CCNH as partially subsidized by taxpayer money – an advantage the competitors do not have. She proposed a 2% increase in private pay rates which would be more in line with employee wage increases.

Adult Day Care

Mr. Gima reported that Adult Day Care revenue has decreased over the past years. This year the numbers have increased due to Veterans Administration referrals. Managed care plans have shown significant interest in the Adult Day Care Program and access to outpatient therapy services. Mr. Gima hopes that participants in the Adult Day Care may lead to referrals for long-term health care.

Wages

Wages were increased by 2% and reflect full staffing – the actual will be less. The budgeted wages includes the newly added positions of Business Office Clerk, Care Plan Coordinator and Assistant Director of Nursing.

Contract Nursing

This budget item is difficult to predict. The number is increasing in 2014 due to CNA staffing shortages on the night shift. Mr. Gima is hopeful that strategies are in place to reduce CCNH staff absenteeism thereby decreasing the need for agency nurses.

Capital Expenses

\$75,000 – Electronic Health Records (EHR)
\$25,900 – Computer replacements
\$25,000 – Adult Day Care outpatient rehab equipment
\$325,000 – Lint remediation
\$20,000 – Medicare unit resident room furnishings
\$46,460 – Resident room furnishing
\$517,360 - Total

Motion by Hartke, second by Lyn, to recommend to the County Board a 2% increase to the private pay rates.

Dr. Palinkas noted that CCNH has shown progress, and this is the time to exploit the weaknesses of the competition.

Mr. Gima stated that a 4% rate increase in the private pay rates would generate approximately \$200,000 in additional revenue based on the census estimates.

Mr. Hartke withdrew his motion.

Motion by Palinkas, second by Hartke, to recommend to the County Board a 4% increase to the private pay rates. Motion was approved unanimously.

Mr. Maxwell proposed a recommendation to the County Board to use the \$300,000 annual bond payment for capital improvements at the nursing home. Ms. Busey clarified that the bond issue which CCNH assumed responsibility will not be retired until 2025. She also noted that the County's General Corporate Fund gifted \$3 million to CCNH in 2005-2008 and serviced the bond debt from 2007-2010.

Motion by Maxwell, second by Hartke, to recommend to the County Board the adoption of the Champaign County Nursing Home budget with the request that the Committee of the Whole Finance Committee give consideration to eliminating the on-going repayment of the bonds from this budget. Motion was approved unanimously.

8. Administrator's Report – Quality

Ms. Noffke reported on a CASPER Quality Measure - depressive symptoms. It is triggered by an MDS question about mood. In July, CCNH was in the 81% percentile. Mood and behavior is a struggle in long-term care. A new Social Service Director is learning behavioral plans and non-pharmacological interventions. A new Psychologist is seeing residents twice a week and will be able to help manage the medication regimen. Ms. Noffke is hopeful that this quality measure of depressive symptoms will show some improvement with these changes.

9. Management Report – Review of Annual Contracts for FY2015

Mr. Gima will report on all CCNH annual vendor contracts for FY2015 next month. Pharmacy and Therapy Services will have Requests for Proposal (RFPs) in the coming months.

10. Management Report – June 2014 Statistics and Financial Management Report

Significant transactions that impacted the budget in June included 2,139 Medicaid conversion days from Medicare that reduced revenue by \$100,000. Under miscellaneous expenses, \$53,909.47 was debited as the additional 1% that will be retroactively paid out from 12/1/13 according to the terms of the recent union contract. Assuming the census remains stable, CCNH will have a good financial year. The 7/31/14 cash balance of \$997,366 includes the \$438,000 state loan in escrow.

11. Management Report – Strategic Objectives

Mr. Maxwell asked about the cessation of staff education from Carle Clinic Nurse Practitioners. Mr. Gima responded that the current program was not providing much educational benefit. Staff will reevaluate the nurses training with Carle physicians to come up with another plan.

Mr. Gima will work to establish a metric to measure food service plating to the residents.

Ms. Emanuel would like to see the strategic objectives revised annually which would tie into the budget. She thought the Nursing Home Board of Directors should have a discussion on updating the strategic objectives before January 2015.

12. Other Business

Mr. Maxwell thought it would be constructive to create a forum where nursing home employees could periodically address the Nursing Home Board of Directors. Mr. Maxwell thought this would show that the Board values the employees. Ms. Hodson suggested conducting employee surveys to elicit ideas for improvement. Mr. Lyn proposed a total quality management process whereby employee feedback recommends solutions to a specific problem. Ms. Emanuel asked management to consider a survey, method of employee involvement and the role the Board should play in interacting with employees.

Ms. Noffke noted that management recognized employees at a food event for their role in increasing the nursing home to a 4-star rating. Ms. Busey stated that an annual employee recognition event occurs at year end which would be an opportunity for the Board members to get involved.

Next month, Mr. Hartke will report on the establishment of a Development Committee to raise money for the Nursing Home. Ms. Hodson thought the Newsletter could be a vehicle to get the word out.

13. Next Meeting Date & Time

The next meeting date and time for the Nursing Home Board of Directors is Monday, October 6, 2014 at 6:00 pm.

14. Adjournment

Chair Emanuel declared meeting adjourned at 7:56 p.m. (motion by Hartke, second by Maxwell, unanimous)

Respectfully submitted

Beth Brunk
Recording Secretary