

**Board of Directors
Champaign County Nursing Home
Urbana, Illinois
July 12, 2010**

Directors Present: Nudo, Hirsbrunner, Lansford, Czajkowski

Directors Absent/Excused: O'Shaughnessey, Hambrick, Anderson

Also Present: Busey, Scavotto, Noffke, Buffenbarger

1. Call to Order

The meeting was called to order at 6:00pm by Acting Chair Hirsbrunner

2. Roll Call

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

3. Agenda & Addendum

On motion by Lansford (second Nudo) the agenda was approved (unanimous).

4. Approval of Minutes

On motion by Lansford (second Nudo), the Board approved the minutes of June 14 2010.

5. Public Participation

There was no public participation..

6. Old Business

There was no old business.

7. New Business

a. IDPH Report

Noffke updated the Board on the status of recent complaint survey. Two deficiencies were cited: one involving a medication error and the other a laceration. The medication error is being appealed through the Informal Dispute Resolution and it appears that CCNH has the documentation from the physician and pharmacy to support its appeal. The laceration resulted in a G-level citation,

which is serious. The Board spent considerable time questioning the background and details of the case. Buffenbarger provided the specifics on how the regulatory process would proceed – IDPH surveyors exited June 17; Plan of Correction was submitted with a compliance date of June 22; once IDPH accepts the Plan of Correction, a re-visit will be re-scheduled; if June 22 remains the compliance date – meaning that CCNH passes the re-visit – civil monetary penalties of \$300 per day will accumulate from June 17-22.

b. Budget Assumptions FY 2011

Budget assumptions for 2011 were accepted as submitted. Management is assuming an average daily census of 195. Private Pay rates will increase 3 percent, although there may be room for additional changes in specific areas. Medicaid and Medicare reimbursement is expected to remain flat. There are some regulatory changes that may decrease Medicare reimbursement. In regard to expenses, IMRF and health insurance are expected to increase by significant amounts. The budget will assume a wage freeze. The first draft of the budget will be ready within a week and the Board will be updated on the results. FY 2011 is shaping up to be a difficult year.

c. Management Report

Scavotto reviewed the financial affairs through May.

Census for May continues to reflect positive developments. ADC for May was 206, consisting of 31 Medicare A, 98.2 Medicaid, and 76.8 Pvt Pay. Net income reflected a gain of \$91k, which does not reflect any corrections still due from the denial of payment. (The IDPH fines are still awaiting resolution.) Year-to-date the operating loss has improved to about \$(12)k.

June's census closed at an average of 203, which continues to be excellent. Medicare volume in June was 892 days versus 976 in May; accordingly, revenues will be lower than May, but should still be significantly better than in earlier months.

Salary expense per resident day was down over previous months. In contrast, agency expense was up to \$122k, which is a major departure from the levels we have seen in recent months. The PRN group of nurses has surpassed its IMRF-related ceiling of 1,000 hours; as a result, CCNH must turn to agency staff to fill position; we continue to seek new hires.

8. Other Business

There was no Other Business

9. Next Meeting Date

Monday August 9, 2010, 6 pm.

10. Adjournment

Acting Chair Hirsbrunner declared meeting adjourned at approximately 7:00 pm.

Respectfully submitted

Michael A. Scavotto
Recording Secretary