

**Board of Directors
Champaign County Nursing Home
Urbana, Illinois
April 14, 2014**

Directors Present: Banks, Emanuel, Lyn, Hartke, Hodson

Directors Absent/Excused: Maxwell, Palinkas

Also Present: Busey, Gima, Noffke

1. Call to Order

The meeting was called to order at 6:00 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 Hartke, second by Lyn, unanimous).

4. Approval of Minutes

The open session minutes and closed session minutes of March 10, 2014 was approved as submitted (motion by Hartke, second by Hodson, unanimous).

5. Public Participation

Kay Rhodes expressed concerns with staffing on the Alzheimer's unit and the delay in the serving of dinner evening meal.

6. Administrator's Report – Quality

Ms. Noffke provided an update on the dietary department. Most of the equipment for the dinex meal delivery system has been delivered except for the delivery carts. The warming plates are being used and has improved the temperature of the meals that arrive to the dining rooms.

Recruitment of a Dietary Director continues. Administration also is in the process of contacting food service management companies. Noffke is waiting to hear back from a few companies. Board members asked if pay was an issue and Ms. Noffke responded that the offers made to two previous applicants would have resulted in a significant pay increase. Mr. Gima discussed the continued difficulty in recruiting a qualified Food

Service Director and that the problem is supply and demand. Mr. Gima also mentioned that the Social Services Director position also remains open.

7. Management Report – Compliance Program Update

Mr. Gima provided a copy of handouts that are being used for employee annual compliance training. He pointed out that it was found that while compliance training has been ongoing, a recent audit revealed that employees did not identify the Compliance Officer, Josh Drake as the contact for reporting potential non-compliance. In response, paycheck stuffers and department meetings were used to re-educate staff.

8. Management Report – February 2014 Statistics and Financial Management Report
February's census of 208 continues a strong census trend. February's net income was the third straight month in the black. Net income totaled \$83k. Cash flow was approximately \$143k. The report also included the VA census information, which shows a YTD average of 4.0. Current VA census is 2.5. January's census of 4.9 was an all-time high.

The ending February cash balance was \$494k. This was due to the posting of the 2013 year-end journal entry for bad debt of \$346k. Mr. Gima discussed the past bad debt write-offs since 2008 through 2012 and the estimated bad debt for 2014 and 2015. The current work to improve bad debt includes a review of all accounts receivable accounts. Any uncollectable claims are being written off. At the same time, over the past few years, a systematic plan to reduce annual bad debt was instituted. The goal is to get bad debt to 0.5% of annual revenue by the end of 2015.

Mr. Gima discussed that the high number of Medicaid pending applications will always leave CCNH vulnerable to rejected Medicaid applications and Deficit Reduction Act penalties due to assets transfers that were made by the applicants in the 5 year look-back period. These penalties result in non-payment by Medicaid to the facility.

9. Management Update

A 2/25 article in the Springfield Journal Register stated that in FY2014-15, State revenue could fall by \$1 billion. If that occurs, Medicaid payment delays could occur. Mr. Gima reviewed MPA's past lobbying efforts with the assistance of Metro Counties in discussion with the Governor's office, Office of Management and Budget and the State Comptroller's office to expedite Medicaid payments for CCNH and Illinois County Homes. These efforts will be restarted if there are signs of a payment slowdown.

The Dual Eligible Managed Care Program is scheduled to begin on May 1st. Work continues on contract language negotiations with Health Alliance and Molina Healthcare. Efforts also continue to maintain the IGT payments for Medicaid residents enrolled in the MMAI program.

The new Director of Nursing, Kristi Gearalds has started at CCNH on 3/10. Recruiting of a Social Services Director continues. Director Hodson asked if a MSW is required. Ms. Noffke stated that nursing homes over 180 beds requires a Director with a MSW.

10. Management Services RFP Update

Ms. Busey provided an update on the CCNH management services RFP. The Evaluation Committee will be making a recommendation to the County Finance Committee to enter into negotiations with Management Performance Associates.

12. Next Meeting Date

Monday, April 12, 2014, 6:00 p.m.

13. Adjournment

Chair Emanuel declared meeting adjourned at 6:55 pm. (motion by Hartke, second by Banks, unanimous)

Respectfully submitted

Scott T. Gima
Recording Secretary