

NURSING HOME BOARD OF DIRECTORS AGENDA

County of Champaign, Urbana, Illinois

Monday, May 11, 2015 – 6:00pm

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

CHAIR:

Catherine Emanuel

DIRECTORS:

Jack Anderson, Sam Banks, Lorraine Cowart, Don Lyn, Mary Hodson, Robert Palinkas

<u>ITEM</u>	<u>Page #</u>
I. <u>CALL TO ORDER</u>	
II. <u>ROLL CALL</u>	
III. <u>APPROVAL OF AGENDA</u>	
IV. <u>APPROVAL OF MINUTES</u> April 13, 2015 Open Session	1 – 6
V. <u>PUBLIC PARTICIPATION</u>	
VI. <u>COMMUNICATIONS</u>	
VII. <u>APPROVAL OF CONTRACT for THERAPY SERVICES WITH HEALTH PRO</u>	7 – 31
VIII. <u>APPROVAL OF CONTRACT for PHARMACY SERVICES WITH UVANTA</u>	32 - 40
IX. <u>APPROVAL of AWARD OF CONTRACT for DINING SERVICES MANAGEMENT</u>	41
X. <u>ACTION PLAN UPDATE</u>	42 – 65
XI. <u>MANAGEMENT REPORT</u> a. Monthly Management/Financial Report b. Compliance Update – Josh Drake, Compliance Office	66 – 95
XII. <u>OTHER BUSINESS</u>	
XIII. <u>NEXT MEETING DATE & TIME</u> June 8, 2015 – 6:00pm	
X. <u>ADJOURNMENT</u>	

**Board of Directors
Champaign County Nursing Home (CCNH) –Minutes
Urbana, Illinois
April 13, 2015**

Directors Present: Anderson, Banks, Emanuel, Lyn, Hodson, Palinkas

Directors Absent/Excused: Cowart

Also Present: Busey, Gima, Noffke, Nolan

1. Call to Order

The meeting was called to order at 6:00 p.m. by Chair Emanuel.

2. Roll Call

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

3. Agenda & Addendum

Agenda was approved as amended (motion by Anderson, second by Banks, unanimous).

4. Approval of Minutes

The open session minutes of March 9, 2015 were approved as submitted (motion by Anderson, second by Banks, unanimous).

5. Public Participation

Pattsi Petrie noted the importance of flu shots throughout the community and recognized the nursing home's staff members for receiving flu shots.

David Laker noted that he has seen improvements in the nursing home's food services, but there are still issues that need to be corrected. He stated that hiring a new food service vendor may cause additional problems.

Ms. Emanuel entered the meeting.

Mr. Laker noted a lack of staff members with adequate skills in critical positions at the nursing home, especially in supervisory positions and on weekends. Additionally, he noted that the nursing home was without towels and wash cloths for multiple days, and he provided a handout to board members detailing problems with the food menu.

6. Other Business

- a. Approval of Release for ITB 2015-004 for Water Heater Replacement Project at Champaign County Nursing Home

Mr. Brenner noted that ITB 2015-004 will be released on April 17th and revisions from board members are encouraged. The project is scheduled to be completed by July. The water heaters must be replaced individually in order to ensure the nursing home does not go out without hot water. Once the low bidder is secured, Mr. Brenner will provide a final project schedule to the board.

Mr. Palinkas asked if Mr. Brenner anticipated minor adjustments before the release of the bid. Mr. Brenner confirmed. Mr. Palinkas asked if Mr. Brenner is seeking the approval from the board for the release of the bid document. Mr. Brenner confirmed.

Mr. Banks asked if Mr. Brenner could share any minor adjustments he anticipates will be made to the document. Mr. Brenner noted that GHR has final measurements and specifications to include in the document.

Mr. Anderson asked how much the project is anticipated to cost. Mr. Brenner noted that each water heater is estimated at \$21,000 and the total cost is estimated at about \$100,000.

MOTION by Palinkas to approve the release of ITB 2015-004 for Water Heater Replacement Project at Champaign County Nursing Home with any minor adjustments described by Mr. Brenner; second by Banks. Upon vote, **MOTION CARRIED**.

7. Action Plan Update

Ms. Emanuel noted that the action plan was developed in order to steer the board's efforts in correcting problems at the nursing home. The action plan will serve as a focused look at issues and as a way to track the board's progress on correcting those issues.

a. Issue 1 – Open Positions Staffing Management

a. HR Dashboard

Mr. Gima noted that there are 24 open positions at the nursing home. At the end of March, there were 52.6 full-time CNA employees with a target of 84.2 full-time CNA's to be considered fully staffed. The open 31.6 full-time employee positions are being filled by overtime from current employees and from temporary employees.

The dashboard includes targets and benchmarks recommended by MPA along with detailed retention rates, turnover rates, separation statistics, open positions and hiring process data. The hiring process will be a record of how many applications are received on a monthly basis.

Current retention rates are below the listed benchmark, and turnover rates are higher than the listed benchmark. Mr. Gima noted that employees who work at the nursing home for less than a year are more likely to leave, and employees who work more than a year are more likely to stay. Ms. Emanuel noted that the current turnover rate is better than it has been in the last 5 years. Mr. Gima confirmed.

b. Update on Search for HR Director

Not provided.

b. Issue 2 – Supervision Improvement

Mr. Gima noted that CMS provides Direct Care Staffing Levels based upon information that is submitted to them by nursing home facilities. Mr. Gima compiled statistics to compare the nursing home to 7 other facilities in the area. CMS provides an Adjusted Hours per Resident per

Day statistic based upon the number of Reported Hours per Resident per Day that the nursing home provides along with the Expected Hours per Resident per Day that CMS calculates. The Adjusted Hours per Resident per Day statistic can be used to compare the Champaign County Nursing Home against other nursing homes in the area and throughout the state. The current adjusted total is below the Illinois State Average and the totals of most other facilities in the area; however, the nursing home's adjusted total is missing data. Updated data and an updated Adjusted Total will be provided at the next meeting.

Mr. Banks asked if there is estimated Adjusted Total based on the hours that are missing. Mr. Gima noted that CMS does the calculation internally and it is very complex. Mr. Lyn asked how CMS acquires the number of reported hours at each facility. Mr. Gima explained that each facility provides CMS with the number of Reported Hours per Resident per Day.

Mr. Gima noted that agency expenses fell to \$64, 349 in March, the third month in a row showing declined expenses. Mr. Banks asked if declines in agency expenses are due to anything in particular. Mr. Gima explained that as more CNAs are hired, agency expenses will continue to decline.

Mr. Gima noted that quarterly training is ongoing and April's topic is Customer Service. Additionally, Mr. Gima noted that the Unit 4 Supervisor has retired and an Assistant Director of Nursing will fill in while the hiring process is completed.

c. Issue 3 – Quality of Care

Mr. Gima noted that improvements are needed in the nursing home's quality of care. Champaign County Nursing Home has an overall CMS rating of one-star with a quality of care rating of four-stars. Five other nursing homes in the area have also overall one-star ratings. Seven out of the eleven quality measures that are used to determine the quality of care provided by Champaign County Nursing Home are at or below the national average for quality of care measures. Quality of care data is updated on a quarterly basis and not every facility will see updates every quarter due to some surveys being on an annual schedule.

Mr. Anderson asked if the board can expect this information to be provided periodically. Mr. Gima confirmed. Mr. Banks asked about the status of monthly staff education in regards to quality of care. Mr. Gima noted that Carle Clinic is not available for monthly training as previously anticipated and quarterly training is underway. Mr. Banks asked if there is alternative plan to receive monthly education as previously discussed. Mr. Gima noted that he is still searching for options to receive education directly from medical providers and staff members are still receiving internal education. Mr. Palinkas noted that Carle Clinic may become more interested if there is financial incentive to provide training.

Mr. Gima noted that the nursing home has received 5 out of 16 scores that meet or exceed the national average in Pinnacle Quality Scores for the month of February. Ms. Emanuel commented that scores are continuing to trend upwards, but improvements are still needed. Mr. Gima confirmed and noted that 8 out of 11 Quality Measures for the CMS rating were at or below the national average, which is on target and an indication that the nursing home is providing quality care. Scores that are above the national average for quality of care are high priority issues that will require improvements in order to improve Champaign County Nursing Home's quality star rating.

Ms. Noffke provided an update on falls intervention. She noted that interviews are conducted upon admission to the nursing home in order to collect information regarding a resident's fall

history. Fall huddles are conducted in order to investigate the root cause of the problem and fall data is shared with staff members in order to review problem areas and trends. Since data on falls has started to be collected, the number of falls has decreased across all units. Monthly education with staff members is conducted in order to prevent falls and put appropriate and meaningful interventions in place. Ms. Emanuel noted that falls are trending downwards. Mr. Gima confirmed and noted that finding the root cause for falls has helped prevent and improve the falls data.

Mr. Lyn noted that staff members need to respond in a timely manner in regards to residents' call lights in order to prevent falls. Ms. Emanuel agreed.

d. Issue 4 – Food Services Improvement

Mr. Gima noted that the Food Dietician's Survey Scores have continued to trend upwards. Food service consistency issues have started to improve but problems are still occurring with meal times and delivering meals to residents as they were ordered. High turnover rates with food service staff members continue to cause food service consistency problems. The number of applications received for food service workers has increased, and new hires are now required to have orientation to the nursing home's kitchen and dining room in order to ensure consistent training standards.

Mr. Lyn asked for the starting wage of food service workers. Mr. Gima noted the starting wage is \$9.62 per hour and explained that this wage is very competitive in comparison to wages in the market. Ms. Hodson asked for the shift times of food service workers. Ms. Noffke noted that food service staff members arrive at different times with the earliest cook arriving at 5 a.m. and employees coming in throughout the day to cover each meal. Mr. Banks asked if food service workers experience issues at the nursing home that cause them to leave as compared to food service workers at different establishments. Mr. Anderson asked if hospitals experience the same attrition issues. Ms. Emanuel noted that hospitals experience similar turnover rates for food service workers as compared to the nursing home and workers will leave the food service industry to pursue higher wages.

e. Issue 5 – Resident Services Programming

Mr. Gima noted that HealthPro has taken over Therapy Services from the previous provider, Symbria, and a program manager is still needed. With the departure from Symbria, a change in respiratory therapy services is also underway. HealthPro does not provide respiratory therapy services; however, their RFP proposal included the service of PEL-VIP, an Illinois-based respiratory therapy services provider. PEL-VIP will provide a re-hospitalization intervention program and a pulmonary rehab program. The new respiratory therapist will not be full-time, but they will provide services based on the volume of care needed with the possibility of the position becoming full-time. PEL-VIP's programs are designed to reduce Medicare readmissions and proactively address pulmonary related issues to reduce the need for hospital based services for long term residents. Their programs are designed to work with and support nursing staff members in the pulmonary evaluations. PEL-VIP has started staff member education, which involves patient evaluation tolls that identify high-risk patients.

Ms. Emanuel asked what initiated the change in therapy services. Mr. Gima explained that the new provider for therapy services is lower in cost and the previous provider for therapy services did not provide quality corporate support for communications or staff education. Ms. Busey asked if the new provider for therapy services was chosen during an RFP process. Mr. Gima confirmed. Ms. Busey asked for additional clarification of the RFP process and if these changes

were detailed in the RFP process. Mr. Gima explained that the RFP document outlined the proposed changes. Ms. Busey asked who was involved in the evaluation of the responses to the RFP. Mr. Gima explained that MPA was involved in the evaluation process. Ms. Emanuel noted the document used to evaluate each response should be provided to the board. Ms. Busey noted that all responses to the RFP should be provided as well. Mr. Gima noted he would bring the RFP information to the next meeting.

Mr. Gima reported that the outpatient rehab program is scheduled to be established by July 1st with HealthPro assisting with the licensure process and the development of space at the nursing home for the program.

f. Issue 6 – Contract Management

a. Dining Services Management RFP Update

Mr. Gima reported that the food services RFP was open to bidders on March 15th and the deadline for submissions is April 15th. Notifications were sent to seven vendors, including the current provider, HeathCare Services Group.

The pharmacy RFP process was completed in March and Uvanta Pharmacy was selected for services

Mr. Gima noted that he will provide RFP data to the board at the next meeting.

8. Management Report/Update

a. Monthly Management Update

Mr. Gima has met with two DHS managers to ensure Medicaid applications are continuing to be processed in a timely manner. A new full-time position has been added to spend time directly following up on Medicaid applications with 50 applications still pending.

Mr. Palinkas asked what the nursing home's lobbyists expect to happen with Medicaid throughout the next year. Mr. Gima noted that lobbyists are uncertain due to Gov. Rauner's 12% cut in Medicaid payments to all nursing homes. The nursing home may not experience a full 12% cut in payments, but an undetermined amount will be cut. Preliminary estimates on Medicaid payment cuts were expected to be around \$150,000 through June 30th; however, the cuts have been re-estimated at \$31,175 through June 30th. Negotiations regarding FY2016's have begun and the only information currently available is a proposed budget that includes a 12% Medicaid provider rate cut.

Mr. Gima reminded the board of last June's \$438,000 temporary payment by the state for Medicaid applications that had been open for an extended period of time. The original terms of the loan required repayment in three installments starting in April 2015. Mr. Gima has contacted HFS and LeadingAge who both explained that the repayment deadline will be delayed until January 2016 due to the continued delays in processing the Medicaid applications.

b. Monthly Financial Management Report

Mr. Gima noted that current census is stagnant around 190 residents with an overall goal of having more than 200 residents.

31 referrals were seen in the past month with 7 new admissions and 6 pending admissions. The number of inquiries remains strong with the quality of inquiries still lacking.

Net income for February was \$47,381. Cash flow from operations totaled \$106,739. Year-to-date income for the first two months of the year is \$28,643 with cash from operations total \$147,730.

Ms. Emanuel noted that the nursing home's census, payor mix and cash from operations are better off than the budgeted numbers. Mr. Gima noted that the census has been considerably strong. Quality measures still need improvements, which will continue to improve referrals and maintain a strong census.

Ms. Busey noted that county board members have expressed interest in writing off the bad debt associated with Medicaid pending applications in order to have more realistic accounts receivable data. Additionally, county board members would like to have a defined payor mix to see what the nursing home can afford to continually operate financially. Mr. Gima agreed and will address these issues at next month's meeting. Mr. Anderson would also like an update in regards to other nursing home's operations and how they are dealing with the same risks and bad debt situations that Champaign County Nursing Home currently faces.

c. Compliance Update

Mr. Gima noted the importance of compliance programs by providing an article to board members. Active programs must be in place, followed and well-documented.

April's Monthly Compliance Issue will cover social media posts and how to ensure electronic security with encrypted data. Annual compliance training for board members will be updated and posted for board members in July. Annual compliance training for all employees at the nursing home is scheduled for April.

9. Next Meeting Date & Time

The next meeting date and time for the Nursing Home Board of Directors is Monday, May 11, 2015 at 6:00 p.m.

10. Adjournment

Chair Emanuel declared the meeting adjourned at 7:56 p.m. (motion by Anderson, second by Palinkas, unanimous)

Respectfully submitted

Brian Nolan
Recording Secretary

To: Operating Board
Champaign County Nursing Home

From: Scott Gima

Date: May 6, 2015

Re: Recommendation of Top Ranked Vendor for RFP 2014-010
CCNH Therapy Services

On January 15, 2015, Champaign County received three proposals in response to RFP 2014-010 – Professional Services for Medicare Rehabilitation Program - from the following bidders:

Alliance Rehab
HealthPRO Rehabilitation
RehabCare

The bids were evaluated using a 100-point scoring system according to the following criteria and point values for each criteria.

PROGRAM MANAGER (0-30 POINTS):

The Program Manager is critical for success. Provide the qualifications and background of the Program Manager you intend to appoint to CCNH. CCNH's intention is for a highly qualified individual that will provide consistent, steady program management. Provide or express your company's policy on rotating program managers.

ADMINISTRATIVE SUPPORT (0-25 POINTS):

Bidders will be scored on their capabilities to improve CCNH's therapy staff in more sophisticated approaches to rehab therapy services that address Federal and State programs that require or incentivize the coordination of care between health care providers in the continuum of care. Areas to address include but are not limited to areas such as clinical protocol development, outcomes reporting, marketing, MDS coding techniques, step-down options, restorative, length-of-stay management, and electronic documentation.

REFERENCES AND RESULTS (0-25 POINTS):

Bidders will receive points based on references that are able to substantiate the bidder's successful performance. CCNH is interested in building its Medicare program and is interested in working with a rehab therapy partner that has proven results. "Results" refers to your firm's demonstrated history of building Medicare rehab programs in Nursing Home settings. Provide us with verifiable examples of your results and list references on the sheet provided.

PRICING/CONTRACT TERMS (0-10 POINTS):

The bids shall be rated on the proposed cost for the contract. As noted in further detail below, bidders are to submit RUG pricing on a per diem basis. Contract terms are also detailed below.

STAFFING & TURNOVER (0- 10 Points)

CCNH is interested in a rehab therapy partner who is committed to building the therapy program. Provide your company history of turnover of therapy staff, program manager and regional manager in those institutions you serve and provide guidance in how you intend to keep turnover amongst the therapy staff at a minimum.

The bids were evaluated by Karen Noffke, Administrator, Kathy Vanderslice, Director of Nursing, Scott Gima and Paul Sasser of MPA.

Bidder	Pricing	References/Results	Administrative Support	Program Manager	Staffing and Turnover	Total
Alliance	5	15	10	20	5	55
HealthPRO	10	25	25	25	8	93
RehabCare	9	20	15	22	10	76

The evaluation matrix summary is included with this memorandum for your review. The following are highlights of the evaluation:

RehabCare currently provides therapy services to four area facilities – Champaign Urbana Nursing and Rehab, Clark Lindsey Village, Helia of Champaign, and Ilini Heritage. All evaluation members were concerned that having such a high market presence, their ability to differentiate the therapy services at CCNH and to effectively assist in the marketing of our therapy program would be difficult.

Symbria received low scores for pricing/contract terms, administrative support and staffing/turnover. The pricing/contract terms score was 5 out of 10 points due by not providing managed care pricing. Staffing/turnover score was 5 out of 10 points because staffing was not addressed in the proposal and turnover rates were not provided. The administrative support score was 10 out of 25 because the proposal did not address regular regional manager site visits and the history with Symbria has been a lack of regular visits by the regional manager. Clinical protocols and practice standards were stated in their bid to be available, but no examples were provided. Marketing assistance was discussed but no marketing materials were provided.

The overall conclusion was that HealthPRO provided the most comprehensive corporate support of the therapy program with regular monthly visits by the regional manager, monthly outcomes reports, and unlimited assistance with marketing support. HealthPRO also provide a comprehensive approach to develop therapy approaches to address reducing readmission rates, development of chronic disease therapy protocols for CHF and COPD. HealthPRO also responded with the provision of an active compliance program that includes random therapy documentation audits. While not a specific RFP requirement, RehabCare also stated that they have a compliance program, but facility level audits were not part of the program. Symbria did not mention a compliance program.

RECOMMENDATION

Management and MPA recommends to the CCNH Board of Directors approval of contract to HealthPRO as the the top-ranked vendor in response to this RFP.

Attachments

THERAPY SERVICES AGREEMENT

THIS THERAPY SERVICES AGREEMENT (this "Agreement") is made and entered into as of the 18th day of March, 2015, by and between Champaign County Nursing Home ("Facility"), and HealthPRO[®] Therapy Services, LLC ("HealthPRO[®]") a Delaware, LLC.

RECITALS

WHEREAS, Facility is a duly licensed nursing facility that furnishes nursing care to residents who are also in need of rehabilitation services that are not available directly from Facility;

WHEREAS, Facility is both Medicare and Medicaid certified and has never been excluded, barred or sanctioned under the Medicare or Medicaid programs;

WHEREAS, HealthPRO[®] is in the business of providing physical, occupational, and speech therapy services in skilled nursing facilities; and

WHEREAS, Facility wishes to make arrangements to utilize HealthPRO's[®] expertise, experience and qualified personnel in the operation of therapy services programs, and desires to engage HealthPRO[®] to provide therapists and other appropriate personnel for such a program at the Facility.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Nature of Arrangement. The Facility hereby retains HealthPRO[®] as an independent contractor to provide physical therapy, occupational therapy and speech therapy services (collectively, "Services") to inpatients and outpatients of the Facility, on an as-needed basis. HealthPRO[®] hereby accepts this engagement. Facility agrees that HealthPRO[®] will be the exclusive provider of the Services to Facility's residents during the term of this Agreement, subject only to the ability of the resident to choose his or her own provider of Services.
2. Obligations of HealthPRO[®].
 - (a) Services. HealthPRO[®] shall arrange for the provision of Services to the Facility's residents who request Services from HealthPRO[®]. HealthPRO[®] shall provide the Services in accordance with: (i) the terms and conditions of this Agreement; (ii) in accordance with all applicable conditions of participation and other applicable federal and state laws, rules and regulations; and (iii) with the plan of care established by the physician responsible for such resident's care. HealthPRO[®] shall be responsible for accurately documenting all Services in compliance with all governmental and third party payor requirements.
 - (b) Personnel. HealthPRO[®] shall provide the Services through qualified physical therapist(s), physical therapy assistant(s), occupational therapist(s), certified occupational therapy assistant(s), speech language pathologists, and other personnel employed by or under contract with HealthPRO[®] (collectively, the

"Therapy Personnel"). HealthPRO® shall be responsible for assuring that all Therapy Personnel providing Services at the Facility hold all appropriate federal, state and local licenses, certifications, and permits ("Therapy Licenses") required to provide the Services. HealthPRO® shall be responsible for ensuring that all Therapy Personnel are not excluded from participation in the Medicaid or Medicare Programs by the OIG or by the state OIG. HealthPRO® shall notify Facility within 24 hours if it learns that Therapy Personnel has experienced a change in license status or has been excluded. HealthPRO® will be responsible for the wages, taxes and benefits, of any, for all Therapy Personnel.

- (c) Patient Records. HealthPRO® shall require all Therapy Personnel to place or record in the clinical record maintained by the Facility for each patient such physician's orders, certificates of medical necessity, plans of care, treatment logs, progress notes, and other documentation concerning the Services as are required by applicable laws and standards of Facility's accreditation organizations.
- (d) Conferences; Training. Therapy Personnel rendering Services at the Facility shall reasonably participate in staff meetings, conferences and care plan meetings, as mutually agreed upon by the Facility and HealthPRO® to coordinate the care of individual residents.
- (e) Statement of Qualifications. Upon request by the Facility, HealthPRO® shall submit to the Facility a statement of qualifications and experience of each therapist who provides Services to the Facility's residents.
- (f) Therapy Billing. HealthPRO® shall submit to Facility on a timely basis such information as is necessary for Facility to properly bill payors for the Services. HealthPRO® shall not bill directly any payor or resident for the Services, absent the express prior written consent of Facility. HealthPRO will be responsible for the accuracy of the information discussed in this section that is provided to the Facility.
- (g) Electronic Medical Record. Facility acknowledges that HealthPRO® utilizes an electronic medical record ("EMR") system while providing Services. HealthPRO® shall provide Facility's MDS, nursing, and billing department access to its EMR to help Facility ensure accuracy of patient data and billing submissions for the Services rendered under this Agreement.
- (h) Participation in Facility's care planning, Medicare meetings, QAPI and Compliance Program activities.

3. Obligations of Facility.

- (a) Services. Therapy Personnel will provide the Services under the control and supervision of the Facility in accordance with Medicare policies at Pub.100-02,

Chapter 15, §230.6 and Facility shall maintain supervision and control over its assets and operations. Facility's responsibilities include:

- (i) accepting each resident for treatment in accordance with its admission policies;
 - (ii) appointment and maintenance of a liaison for each resident's attending physician/non-physician practitioner who will provide information for Therapy Personnel with regard to the progress of the resident and who will assure that the resident's plan of treatment is periodically reviewed by the attending physician/ physician extender;
 - (iii) securing from the physician the required, orders, certifications and recertification's;
 - (iv) Participating in HealthPRO's compliance activities including but not limited to ensuring that the medical necessity of the Services provided is reviewed on a random sample basis by HealthPRO's staff or an outside review group hired and paid for by HealthPRO;
 - (v) determining proper resident classification utilizing the minimum data set ("MDS") classification system;
 - (vi) assuring compliance with the time limitations for electronically submitting the MDS regulated by the Federal Medicare and/or State Medicaid Program(s), or other programs requiring such data, as such time limitations relate to individual residents of the Facility; and
 - (vii) provide HealthPRO[®] with all Medicare Part B resident information as it relates to the then current capitation amount of therapy charges imposed by the Federal Government. Specifically, Facility will provide HealthPRO[®] with sufficient information to allow HealthPRO[®] to determine the dollar values utilized by a particular resident under the capitation amount prior to the provision of services by HealthPRO[®]. Facility shall maintain all federal and state occupancy permits, licenses, Medicare and Medicaid provider certifications and other government and regulatory approvals necessary for the operation of the Facility.
- (b) Billing. The Facility shall be solely responsible for billing residents or their governmental or other third party reimbursement sources for Services provided to the residents by HealthPRO[®]. Facility shall obtain any required consents and/or pre-authorizations for treatment and billing. Facility will provide to HealthPRO[®] documentation specifying the classification and payor source for each resident it refers to HealthPRO[®] at the time of the referral or at the time of any change of resident classification with regard to payor source or eligibility for Services.
- (c) Space. The Facility shall, at its sole expense, set aside a designated work and storage area, safe and adequate for the provision of the Services, inside the Facility's premises where Therapy Personnel and other HealthPRO[®] personnel can provide the Services as required under this Agreement. All maintenance and housekeeping of the designated area or space shall be the sole responsibility of the Facility and shall be done on a regular and as-needed basis.

- (d) Equipment. The Facility shall provide and maintain all rehabilitation related equipment and supplies needed to provide the Services, including office supplies and secure web access adequate to utilize HealthPRO's® web based EMR. The Facility shall maintain and repair the equipment so that it is in good condition, safe, clean and operable at all times. In connection with and without limiting the generality of the foregoing, Facility acknowledges and agrees that HealthPRO® may, but is in no way obligated to, install certain computer hardware, software and associated materials and manuals ("HealthPRO® Technology") in the Facility, unless such HealthPRO® Technology is reasonably necessary for HealthPRO® to provide the Services. Facility acknowledges and agrees that any HealthPRO® Technology shall remain the sole property of HealthPRO®. Facility shall have no rights in or to the HealthPRO® Technology or the use thereof, other than in and to any resident records contained therein. Facility agrees that, upon termination of this Agreement, it will: (i) fully cooperate with HealthPRO® in the removal of all HealthPRO® Technology from the Facility, (ii) not retain any copies of the HealthPRO® Technology, and (iii) will have no ownership or use rights in any of the HealthPRO® Technology.
- (e) Facility Personnel. Facility agrees to provide sufficient support personnel to have residents ready to receive the Services at the agreed upon times and to transport residents to the designated work space.
- (f) Record Maintenance. The Facility shall have primary responsibility for maintaining all resident records. The Facility shall make available to HealthPRO® for review and inspection, upon request, individual resident records concerning treatment of, and provision of Services to each resident.
- (g) Compliance. Facility shall comply in all respects with all billing and payment requirements of HealthPRO® as set forth in this Agreement. Facility shall maintain all licenses and certifications currently held by Facility and obtain any additional licenses and certifications that may be required in the future. Facility acknowledges that, from time to time, HealthPRO® may utilize foreign-trained Therapy Personnel who are employed by HealthPRO® under an H-1B visa. In such instances, Facility agrees to post notices, provided by HealthPRO®, related to payment of wages (as required by applicable law) in two conspicuous locations and to confirm, in writing, posting of such notices within 48 hours of Facility's receipt of such notices from HealthPRO®. Facility shall notify HealthPRO® if it becomes involved in any labor disputes with any therapist.

4. Compensation.

- (a) Compensation. Facility shall compensate HealthPRO® during the term of this Agreement for the provision of Services in accordance with the terms and conditions of this Agreement and the pricing set forth on Schedule A, plus any applicable sales tax. HealthPRO® will be compensated by the Facility for the Services rendered from the first day of the calendar month to the last day of the calendar month (hereinafter known as the "Billing Period") according to invoices

submitted to the Facility for services rendered by HealthPRO®. Payment to HealthPRO® pursuant to services rendered under this Agreement is not dependent upon Facility's ability to collect such revenue.

- (b) Regulatory Change. In the event that any federal, state or local legislative or regulatory authority adopts any law, rule, policy or procedure that establishes a material change in the method or amount of reimbursement, payment for services or manner of services hereunder, the parties shall in good faith renegotiate the terms of the Agreement.
- (c) Invoices. HealthPRO® shall submit to the Facility, by the fifth (5th) business day of each month, an invoice for all Services rendered through the last day of the previous month. The Facility shall remit payment in full as shown on each invoice within sixty (60) days from the date of the invoice. Facility must notify HealthPRO® in writing of any dispute of any portion of an invoice within thirty (30) days of receipt of the invoice. Failure to notify HealthPRO® within this thirty (30) day period shall be deemed Facility's confirmation of its obligation under this Agreement to pay HealthPRO® in full for the invoice.
- (d) Late Payments. If Facility does not pay HealthPRO® within 180 days, then Facility shall pay a service fee of 1.5% (or the maximum rate allowable by law, whichever is less) on all outstanding amounts owed by Facility for each thirty (30) day period beyond the due date; provided that, in no event shall interest be charged in excess of the amount permitted by applicable law.
- (e) Collection Costs. The Facility will reimburse HealthPRO® for half (50%) of the costs of collection of HealthPRO's® invoices, including all collection agency fees, attorney's fees and costs, and court costs that the HealthPRO® incurs in the pursuit of payment of any delinquent invoices.

5. Denial of Payment by Reimbursement Sources. HealthPRO® will provide Facility with reasonable support in appealing denials of claims for Services during the term of this Agreement, provided that Facility has, within five (5) business days after receiving the first notification of any audit, review, overpayment, adjustment, or additional development or document request ("ADR") from its intermediary or other source, provided copies of all written materials received from such source to HealthPRO's® Denials Coordinator. If no audit, review, or ADR precedes a denial, HealthPRO® will provide Facility with reasonable support in appealing denials of claims for Services, provided that Facility has, within five (5) business days after receiving the first notification of the denial from its intermediary or other source, provided copies of all written materials received from such source to HealthPRO's® Denials Coordinator. If HealthPRO® does not receive timely notice of the audit, review, ADR, or denial, HealthPRO® may decide, in its sole discretion, whether it will provide Facility any support in appealing such denial.

- (a) If all of the following conditions are met, then HealthPRO® will refund any amounts paid by Facility to HealthPRO® for Services rendered on claims that were denied:

- (i) The denial must be based solely on one of the following reasons or if such denial was the result of the acts or omissions of HealthPRO®: HealthPRO® did not complete an evaluation prior to treatment; a therapist did not sign the plan of care; HealthPRO® treated a resident beyond the certification period stated in the plan of care without extension orders written or completing a recertification; a tenth visit note was not written by a clinician for residents whose payor source is Medicare Part B, when this is the responsibility of HealthPRO®; a progress report was not co-signed by the supervising therapist; a Therapy Personnel treated a resident without an active license; therapy was provided by Therapy Personnel who were excluded by the OIG or the state OIG; or a student therapist provided treatment without appropriate supervision. For all denials based on a lack of appropriate documentation, HealthPRO® shall only be responsible if the documentation is incomplete based on the actions or inactions of HealthPRO®.
 - (ii) Facility must have timely notified HealthPRO® of the denial in accordance with this section and accepted any assistance offered by HealthPRO® in appealing the denial;
 - (iii) Facility and HealthPRO® must have mutually agreed that they have exhausted all appeals available for the denial, including, but not limited to, through an administrative law judge (“ALJ”) hearings, and a final determination must have been issued upholding the denials, or HealthPRO® and Facility must have agreed that further appeal of the denial was not necessary;
 - (iv) Facility must have provided HealthPRO® with a written copy of the final determination upholding the denials.
- (b) The parties recognize that determining the skill level and amount of therapy required for each resident at Facility requires collaboration between HealthPRO® and the Facility. HealthPRO® will not provide therapy services to residents at Facility without direction, consent, or authorization from the Facility. If services were mutually initiated upon agreement of facility and HealthPRO and Facility deems for whatever reason that services are no longer necessary, Facility must notify HealthPRO so we can mutually arrange for discharge and appropriate documentation. If Facility fails to notify HealthPRO®, to the extent any resident records maintained by the Facility are determined, either through self-review or external audit, not to support the therapy provided, HealthPRO® will not be required to refund Facility any amounts paid by Facility to HealthPRO® based on that determination.
- (c) HealthPRO® reserves the right to make any payments to Facility in installments over time. Facility shall have no right of set-off against any amounts owed to HealthPRO® based on a denial of payment for Services or for any other reason.

(d) Except as explicitly stated in this section, and notwithstanding any other provision of this Agreement, each party shall bear its own costs and expenses when responding to and/or appealing denials or disallowances of charges for Services and when refunding any amounts determined to have been paid in error.

(e) The procedure set forth in this Section 5 of this Agreement is the sole manner by which HealthPRO® may be required to reimburse Facility for any third party disallowance or denial of claim. HealthPRO® shall not be required to indemnify Facility for any third party disallowance or denial of claim, except to the extent explicitly provided in this “Denials of Claims” section. Except to the extent explicitly provided in this “Denials of Claims” section, Facility releases and discharges HealthPRO® from any and all past, present and future liability, claims, demands, controversies, damages, actions and causes of actions of every kind and nature, related to any third party reimbursement disallowance or denial of claim. This Section 5 is solely limited to the denial of claims in the standard course of reimbursement and does not apply to any fines or penalties related to false claims, recoupment actions, overpayments, audits or actions taken as the result of fraud or services performed by excluded individuals, which shall be subject to the indemnification provisions of Section 8 of this Agreement.

6. Term and Termination.

(a) Term. This Agreement shall have a term of two years, commencing on April 12, 2015 (the “Effective Date”), and expiring on the second anniversary of the Effective Date, unless earlier terminated pursuant to the terms hereof. Unless earlier terminated as provided for in this Agreement, each term of this Agreement shall automatically renew for consecutive additional terms of one (1) year each, unless either party delivers to the other party, not less than ninety (90) days prior to the expiration of the then current term, written notice of such party's intention not to renew the term of this Agreement.

(b) Termination.

(i) Default. Either party may terminate this Agreement any time if the other party defaults in the performance of any material term or condition of this Agreement to be performed by it, and, subject to Section 6(c) below, such default continues for a period of thirty (30) days, or such longer period as may be required to effect a cure provided that the defaulting party initiates curative action within thirty (30) days and thereafter is diligently and in good faith pursuing such cure; provided, however, that the cure period for any breach by Facility under Section 4 hereof shall only be curable for a period of ten (10) days before this Agreement shall become terminable, at HealthPRO's® option, immediately upon written notice to Facility.

(ii) Suspension/Revocation of License. Notwithstanding the immediately preceding clause (i), if the licenses held by Facility are at any time suspended, terminated or revoked, and such suspension, termination or

revocation shall continue unstayed and in effect for a period of five (5) consecutive days, this Agreement may be terminable at HealthPRO's® option, immediately upon written notice to Facility.

- (iii) Without Cause. Either party may terminate this Agreement without cause upon 90 days advance written notice.
- (c) Immediate Termination. Either Party may terminate this Agreement immediately in the event of an act by the other party constituting gross negligence, willful misconduct, fraud or any other felonious act which is materially detrimental to the terminating party. Notwithstanding anything set forth herein to the contrary, in the event of any default or breach by Facility under any of Sections 4, 12, or 13, this Agreement shall be terminable at HealthPRO®'s option, immediately upon written notice to Facility.
- (d) Change of Ownership. In the event of a change in ownership of the Facility, or a change of control over the Facility management and operations, Facility agrees to provide HealthPRO® with at least sixty (60) days prior written notice of such change in ownership and further agrees that all outstanding compensation due HealthPRO® will be paid to HealthPRO® prior to the effective date of such change in ownership.
- (e) Effect of Termination. In the event of termination of this Agreement for any reason, such termination shall not affect or negate the obligation of Facility to pay the fees to HealthPRO® accruing prior to the effective date of termination or the obligations of either party under Sections 7, 12 and 13. All fees for Services rendered by HealthPRO® shall become immediately due and payable within sixty (60) days after the date of any termination hereunder notwithstanding anything set forth herein to the contrary.

7. Insurance. HealthPRO® and Facility shall each maintain insurance coverage for any acts of professional malpractice or other negligence committed at the Facility by Therapy Personnel. The policy will be not less than one million dollars (\$1,000,000) per claim and three million dollars (\$3,000,000) total per year. Both parties shall maintain workers' compensation insurance for all of their respective staff in such amounts as may be required by applicable state law. Upon request, a copy of the insurance policy or a certificate of insurance shall be provided evidencing such coverage. Each party shall provide the other with no less than ten (10) days prior written notice of any expiration or cancellation of such policy or policies.

8. Indemnification; Hold Harmless.

- (a) Indemnification by HealthPRO®. HealthPRO® shall indemnify the Facility from, and hold the Facility harmless against, all claims, demands, costs, expense, liabilities, and losses (including reasonable attorney's fees and expenses) which may result against the Facility as a consequence of the acts or omissions of HealthPRO® or its employees or agents in connection with the provision of Services pursuant to this Agreement.

- (b) Indemnification by Facility. The Facility shall indemnify HealthPRO® from, and hold HealthPRO® harmless against, all claims, demands, costs, expense, liabilities, and losses (including reasonable attorney's fees and expenses) which may result against HealthPRO® as a consequence of the acts or omissions of the Facility or its employees or agents.

9. Independent Contracting Parties. The relationship between the Facility and HealthPRO® is that of independent contractors. Neither party shall be construed in any manner whatsoever to be an employee or agent of the other, nor shall this Agreement be construed as a contract of employment or agency. This Agreement shall not create a joint venture, partnership or other joint business relationship. As an independent contractor, HealthPRO® and its Therapy Personnel are not exclusively limited to performing Services for the Facility and are entitled to provide Services for parties other than the Facility, regardless of the fact that HealthPRO® shall be the exclusive provider of Services to Facility in accordance with the terms hereof.

10. Access to Records. Until the expiration of four (4) years after the furnishing of Services pursuant to this Agreement, HealthPRO® agrees to make available, upon receipt of written request from the Secretary of Health and Human Services or the U.S. Comptroller General or any of their duly authorized representatives or any duly authorized State agency, this Agreement, and books, documents, and records of HealthPRO® that are necessary to certify the extent of costs incurred by the Facility under this Agreement. If HealthPRO® carries out any of the duties of this Agreement with a value of Ten Thousand Dollars (\$10,000) or more over a twelve-month period through a subcontract with a related organization or individual, such subcontract must contain a clause to the effect that until the expiration of four (4) years after the furnishing of Services under the subcontract, the related organization shall make available, upon written request for the Secretary of Health and Human Services, the U.S. Comptroller General, or any of their authorized representatives, the subcontract, and books, documents and records of the related organization that are necessary to verify the nature and extent of costs incurred under subcontract.

11. Equal Employment Opportunity. HealthPRO® is an Equal Employment Opportunity employer that provides equal employment opportunities, including all terms and conditions of employment, to all employees and applicants without regard to race, color, religion, national origin, sex, age, disability or covered veteran status in accordance with applicable federal, state and local law.

12. Confidential Information.

- (a) Development of Confidential Information. Each party acknowledges that the other party has developed and will develop proprietary programs and other information for its own use in the delivery of services. Such programs and information, as they may be improved, changes, modified, or further developed from time to time, are referred to herein as "Confidential Information", except that "Confidential Information" does not include any information that is generally

available to the public or otherwise is in the public domain or information that is independently developed by the other party to this Agreement.

- (b) Non-Disclosure. Each party agrees that it shall not disclose or otherwise disseminate to any person or entity, either directly or indirectly, or use for its benefit or the benefit of others, any aspect of the other party's Confidential Information received in connection with this Agreement, without the prior written consent of the other party.
- (c) Confidentiality. The parties agree not to disclose any provision of this Agreement to any third party unless required by law.
- (d) Health Insurance Portability and Accountability Act. The parties agree to be bound by the Business Associate Agreement set out in Exhibit B attached hereto and fully incorporated herein.
- (e) Survival. The provisions of this Section 11 will indefinitely survive the termination or expiration of this Agreement for any reason.

13. Non-Competition/Non-Solicitation. During the term of this Agreement, including all renewal terms, and for one year after the termination or expiration of this Agreement for any reason, Facility agrees that neither it, nor any corporation, agency, or other entity controlled, affiliated or contracted with Facility, shall, directly or indirectly, hire, solicit, recruit, contact, retain, or allow to provide services at Facility any current or former Therapy Personnel or other employee of HealthPRO® who provided services at Facility pursuant to this Agreement. Facility agrees that it will not attempt to induce any Therapy Personnel or employee of HealthPRO® to terminate his or her relationship with HealthPRO®; will not provide the name or contact information of any Therapy Personnel or employee of HealthPRO® to any person or entity without the express written consent of HealthPRO®; and will not allow other therapy service providers or their agents access to the Facility while Therapy Personnel are on the premises.

14. Enforcement. The facility acknowledges and agrees that the restrictions contained in Sections 12 and 13 above are reasonable and necessary to protect the legitimate business interests of HealthPRO® and that any breach thereof would result in irreparable harm to HealthPRO®. The Facility acknowledges, that in the event of any breach of these restrictions, HealthPRO® will be entitled to a restraining order, an injunction, specific performance, and such other equitable relief as may be necessary to prevent such breach and, in addition, to any other form of legal and equitable remedies, including an accounting of benefits arising from such breach, to which HealthPRO® may be entitled. The provisions of this Section 14 will indefinitely survive the termination or expiration of this Agreement for any reason.

15. Miscellaneous.

- (a) Waivers. Neither the failure nor any delay on the part of any party to exercise any right, remedy, power, or privilege ("Right") under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any Right preclude any other or further exercise of the same or of any other Right, nor shall any waiver of

any Right with respect to any occurrence be construed as a waiver of such Right with respect to any other occurrence. No waiver shall be effective unless it is in writing and it signed by the party asserted to have granted such waiver.

- (b) Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given, made and received when personally delivered or upon actual receipt registered or certified mail, postage prepaid, return receipt requested, addressed as set forth below:

- (i) If to HealthPRO®:

HealthPRO® Therapy Services, LLC
10600 York Road
Suite 105
Cockeysville, MD 21030
Attention: Chief Operating Officer
Fax: 410-667-7207

- (ii) If to the Facility:

Champaign County Nursing Home
500 Art Bartell Rd.
Urbana, IL 61802
Attention: Administrator
Fax: 217-337-0120

Any party may change the address to which communications or copies are to be sent by giving notice of such change of address in conformity with the provisions of this paragraph for the giving of notice.

- (c) Assignment. Without the consent of the other contracting party, neither party shall assign its rights or delegate its obligations under this Agreement, except that any assignment by operation of law or where all or substantially all of the assets or equity interests of either contracting party have been sold or such contracting party has merged or otherwise been combined with another entity, in each case, so long as such surviving or successor entity assumes all obligations of such party under this Agreement.
- (d) Schedules. All Schedules, Exhibits and Addenda attached are hereby incorporated by reference into, and made a part of, this Agreement.
- (e) Authorizations. The Facility, by and through its signatories hereto, hereby confirms that its execution, delivery, and performance of this Agreement has been duly authorized by all necessary action on the part of its directors, shareholders, partners, members, or other applicable governing body. Any misrepresentations

or failure to disclose under the terms of this paragraph constitutes a material breach of this Agreement.

- (f) Governing Law. All terms and provisions of this Agreement and the rights and obligations of the parties hereto shall be construed and enforced in accordance with the laws of the State where the Facility is located.
- (g) Successors and Assigns. This Agreement shall inure to the benefit of, and be binding upon, the heirs, successors, permitted assigns, and legal and personal representatives of the parties.
- (h) Attorney Fees. HealthPRO® and Facility agree that, in connection with any litigation or arbitration involving any controversy, dispute or claim arising out of or in connection with this Agreement, or the breach, termination or validity hereof, the prevailing party shall be entitled to recover from the other party to such action, in addition to the relief granted, all of its costs incurred, including reasonable attorneys' fees and court costs. This provision does not apply to, limit, or in any manner affect HealthPRO's® rights to collect legal, accounting, court fees, costs and expenses from Facility incurred by HealthPRO® for the collection of delinquent amounts due (including interests) as stated in Section 4 of the Agreement.
- (i) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. Executed counterparts may be delivered by facsimile or electronic mail and any such counterparts shall be deemed and have the same effect as original signatures hereunder.
- (j) Titles and Subtitles. The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.
- (k) Severability. If any one or more of the provisions of this Agreement is determined to be invalid, illegal, or unenforceable in any respect as to one or both of the parties, all remaining provisions nevertheless shall remain effective and binding on the parties, and the validity, legality, and enforceability thereof shall not be affected or impaired thereby.
- (l) Survival. All representations and warranties made by each party in this Agreement, and all covenants and obligations of each party which are to be performed after the termination of this Agreement, shall survive the termination of this Agreement.
- (m) Time of the Essence. HealthPRO® and Facility agree that time is of the essence of this Agreement and, accordingly, that the time limits contained in this Agreement are to be strictly observed.

- (n) Construction. Both parties agree and acknowledge that each has had opportunity to participate in negotiating this Agreement. Accordingly, this Agreement shall not be construed in favor of or against either party.
- (o) Incorporation of Recitals. The recitals hereto are incorporated herein by reference and made a binding part of this Agreement. The existence of any untrue statement about a party to this Agreement in the recitals hereto shall be deemed a material breach of this Agreement by such party.
- (p) Entire Agreement. This Agreement and the Schedules hereto contain the entire understanding between the parties hereto with respect to the subject matter hereof, and supersede all prior and contemporaneous agreements, understandings, whether express, implied, oral or written, concerning that subject matter, all of which are merged in this Agreement. This Agreement (including the attached Schedules) may be modified or amended only by a written agreement of the parties.
- (q) Electronic Storage. The parties agree and stipulate that the original of this Agreement, including the signature page, may be scanned and stored in a computer database or similar device, and that any printout or other output readable by sight, the reproduction of which is shown to accurately reproduce the original of this document, may be used for any purpose just as if it were the original, including proof of the content of the original writing.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be executed by its duly authorized representative as of the date first written above.

FACILITY _____:
LLC:

HEALTHPRO® THERAPY SERVICES,

By: _____
Name:
Title:

By: _____
Name:
Title:

EXHIBIT A [Per Diem]

Fees

For all Services provided under this Agreement, Facility shall pay HealthPRO® as follow:

- a. Medicare Part A and Managed Care RUG's. Facility will pay HealthPRO® for services rendered to residents whose payor source is Medicare Part A an all-inclusive per diem rate as follows:

<u>RUG Classification</u>	<u>Payment per Patient Day</u>
RU	\$ 98.74
RV	\$68.57
RH	\$44.57
RM	\$20.57
RL	\$6.17
NON-R	\$_.96_ for each clinical minute

The per diem payment will be structured in relation to the RUGs classification as adopted by the Centers for Medicare and Medicaid Services. The total payment shall be determined by multiplying the number of days per RUG classification by the per diem rate for that RUG classification. HealthPRO® shall be compensated by the Facility for Services performed under this Agreement from the assessment effective date of Facility residents.

Facility will notify Provider within three (3) business days of a change in a patient's RUG classification. If Facility fails to assess residents to ensure that they are categorized under the appropriate RUG classification or fails to submit its resident assessment data on a timely basis, Facility will nonetheless compensate Provider for services based on the appropriate RUG classification.

- b. Payment for those residents covered under Managed Care Insurance stay will be paid a per minute rate of \$_.96__.
- c. All Other Residents & Patients. Facility will pay HealthPRO® for Services rendered to all residents and patients whose payor source is not Medicare Part A or Managed Care at 74% of the then-current Medicare Part B fee schedule for all services that would be reimbursable under the Medicare Part B fee schedule, as if billed to Medicare's Fiscal Intermediary. HealthPRO will split with the Facility on a 50/50 basis the impact of MPPR in effect as of the effective date of the agreement.

EXHIBIT B

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“Agreement”) is effective as of _____, 2015, and is by and between _____ (“Covered Entity”) and HealthPRO® Therapy Services, LLC (“Business Associate”).

RECITALS

Covered Entity and Business Associate are parties to an agreement or arrangement pursuant to which Business Associate performs certain services for Covered Entity.

In connection with the performance of its services, Business Associate may receive from, or create or receive on behalf of Covered Entity health information that is considered PHI (as defined below).

To the extent that such PHI is shared between the parties, this Agreement shall apply and shall set forth the party’s obligations with respect to such PHI.

The provisions of this Agreement shall become binding on the parties beginning on the date on which PHI is first shared between the parties and shall terminate in accordance with the terms of this Agreement.

TERMS

1. Definitions

Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the HIPAA Rules (as defined below), the HITECH Standards (as defined below) or any future regulations promulgated or guidance issued by the Secretary (as defined below) thereunder.

- a) Breach. “Breach” shall have the same meaning as the term “breach” at 45 C.F.R. § 164.402.
- b) Electronic Health Record. “Electronic Health Record” shall mean an electronic record of health-related information on an Individual (as defined below) that is created, gathered, managed, and consulted by authorized health care clinicians and staff.
- c) Electronic PHI. “Electronic PHI” shall have the same meaning as the term “electronic PHI” at 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

- d) HIPAA. “HIPAA” shall mean the Health Insurance Portability and Accountability Act of 1996, as amended, and the implementation regulations thereunder, including without limitation the HIPAA Rules (as defined below) and the HITECH Standards (as defined below), and all future regulations promulgated thereunder.
- e) HIPAA Rules. “HIPAA Rules” means the Privacy Rule (as defined below) and the Security Rule (as defined below).
- f) HITECH Standards. “HITECH Standards” means Subtitle D of the Health Information Technology for Economic and Clinical Health Act (“HITECH”), found at Title XIII of the American Recovery and Reinvestment Act of 2009, and any regulations promulgated thereunder, including all amendments to the HIPAA Rules.
- g) Individual. “Individual” shall have the same meaning as the term “individual” at 45 C.F.R. § 160.103, and any amendments thereto, and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).
- h) Privacy Rule. “Privacy Rule” means the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164.
- i) Protected Health Information. “Protected Health Information” or “PHI” shall have the same meaning as the term “protected health information” at 45 C.F.R. § 160.103, and any amendments thereto, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- j) Required By Law. “Required By Law” shall have the same meaning as the term “required by law” at 45 C.F.R. § 164.103.
- k) Secretary. “Secretary” shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- l) Security Incident. “Security Incident” shall have the same meaning as the term “security incident” at 45 C.F.R. § 164.304.
- m) Security Rule. “Security Rule” shall mean the Security Standards for the Protection of Electronic PHI at 45 C.F.R. Parts 160, 162, and 164.
- n) Unsecured PHI. “Unsecured PHI” shall have the same meaning as the term “unsecured protected health information” at 45 C.F.R. § 164.402.

2. Relationship of Parties

In the performance of the work, duties and obligations described in this Agreement or under any other agreement between the parties, the parties acknowledge

and agree that each party is at all times acting and performing as an independent contractor and at no time shall the relationship between the parties be construed as a partnership, joint venture, employment, principal/agent relationship, or master/servant relationship.

3. Ownership of PHI

Business Associate acknowledges that all right, title and interest in and to any PHI furnished to Business Associate vests solely and exclusively with Covered Entity or the Individual to whom such PHI relates.

4. Obligations and Activities of Business Associate

- a) Business Associate agrees to not use or disclose PHI other than as permitted or required by this Agreement, any underlying agreement between the parties, or as Required By Law.
- b) Business Associate will make reasonable efforts, to the extent practicable, to limit requests for and the use and disclosure of PHI to a Limited Data Set (as defined in 45 C.F.R. § 164.514(e)(2)) or, if needed by Business Associate, to the minimum necessary PHI to accomplish the intended purpose of such use, disclosure or request, and as applicable, in accordance with the regulations and guidance issued by the Secretary on what constitutes the minimum necessary for Business Associate to perform its obligations to Covered Entity under this Agreement, any underlying agreement, or as Required By Law.
- c) Business Associate agrees to use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for by this Agreement.
- d) Business Associate agrees to implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of Electronic PHI that it creates, receives, maintains or transmits on behalf of Covered Entity. Business Associate shall comply with the applicable requirements of the Security Rule in the same manner such provisions apply to Covered Entity.
- e) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.
- f) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Agreement of which it becomes aware. To the extent that Business Associate creates, receives, maintains or transmits Electronic PHI, Business Associate agrees to report as soon as practicable to Covered Entity any Security Incident, as determined by Business Associate, involving PHI of which Business Associate becomes aware. Notwithstanding the foregoing, Business Associate and Covered Entity acknowledge the ongoing existence and occurrence of attempted but unsuccessful Security Incidents that are trivial in nature, such as pings and port scans, and Covered Entity acknowledges and agrees that no

additional notification to Covered Entity of such unsuccessful Security Incidents is required. However, to the extent that Business Associate becomes aware of an unusually high number of such unsuccessful Security Incidents due to the repeated acts of a single party, Business Associate shall notify Covered Entity of these attempts and provide the name, if available, of said party. At the request of Covered Entity, Business Associate shall identify the date of the Security Incident, the scope of the Security Incident, Business Associate's response to the Security Incident, and the identification of the party responsible for causing the Security Incident, if known.

- g)* Following Business Associate's discovery of a Breach of Unsecured PHI, Business Associate shall notify Covered Entity of the Breach without unreasonable delay, and in no event later than ten (10) calendar days after Business Associate, or any of its employees or agents, discovered the Breach. Such notification shall include, to the extent possible, the identification of each Individual whose Unsecured PHI has been, or is reasonably believed by Business Associate to have been, accessed, acquired, used, or disclosed during the Breach and any other information available to Business Associate about the Breach which is required to be included in the notification of the Breach provided to the Individual in accordance with 45 C.F.R. §164.404(c). A Breach of Unsecured PHI shall be treated as discovered as of the first day on which such Breach is known to Business Associate or should have been known to Business Associate by exercising reasonable diligence.
- h)* In accordance with 45 C.F.R. §§ 164.308(b)(2) and 164.502(e)(1)(ii), Business Associate agrees to ensure that any subcontractors that create, receive, maintain, or transmit PHI on behalf of Business Associate agree in writing to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information. Moreover, Business Associate agrees to ensure any such agent or subcontractor agrees to implement reasonable and appropriate safeguards to protect Covered Entity's Electronic PHI.
- i)* Business Associate shall provide access, at the request of Covered Entity, and in a time and manner mutually acceptable to Business Associate and Covered Entity, to PHI in a Designated Record Set to Covered Entity, or, as directed by Covered Entity, to an Individual or another person properly designated by the Individual, in order to meet the requirements under 45 C.F.R. § 164.524. If Business Associate maintains PHI electronically in a Designated Record Set and if the Individual requests an electronic copy of such information, Business Associate must provide Covered Entity, or the Individual or person properly designated by the Individual, as directed by Covered Entity, access to the PHI in the electronic form and format requested by the Individual, if it is readily producible in such form and format; or, if not, in a readable electronic form and format as agreed to by Covered Entity and the Individual. Any fee that Business Associate may

charge for such electronic copy shall not be greater than Business Associate's labor and supply costs in responding to the request.

- j)* Business Associate agrees to make any amendment(s) to PHI in its possession contained in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in a time and manner mutually acceptable to Business Associate and Covered Entity.
- k)* Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528. As of the compliance date set forth in the regulations promulgated under HITECH or as otherwise determined by the Secretary, in addition to the accounting of disclosure obligations required under 45 C.F.R. § 164.528, Business Associate shall account for all disclosures of PHI made through an Electronic Health Record in accordance with the HITECH Standards and any future regulations promulgated thereunder.
- l)* Within ten (10) business days (or such other date that Business Associate and Covered Entity may reasonably agree upon) of receiving written notice from Covered Entity that Covered Entity has received a request for an accounting of disclosures of PHI, Business Associate agrees to provide to Covered Entity information collected to permit Covered Entity to make the accounting required in accordance with 45 C.F.R. § 164.528.
- m)* Business Associate shall make its internal practices, books, and records, including policies and procedures, relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of Covered Entity, available to the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule.
- n)* To the extent Business Associate is to carry out Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such delegated obligation.

5. General Use and Disclosure Provisions

Except as otherwise limited in this Agreement:

- a)* Business Associate reserves the right to **use** PHI for the proper management and administration of Business Associate, to carry out the legal responsibilities of Business Associate, and to provide data aggregation services to Covered Entity.
- b)* Business Associate may **use or disclose** PHI to perform functions, activities, or services for, or on behalf of, Covered Entity provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity.

- c) Business Associate may **disclose** PHI in its possession for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the third party to whom the information is disclosed that such PHI will be held confidentially and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the third party, and the third party notifies Business Associate of any instances of which it is aware in which the confidentiality of the PHI has been breached.

6. Obligations of Covered Entity

- a) Covered Entity shall notify Business Associate in writing of any limitation(s) in its notice of privacy practices, to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
- b) Covered Entity shall notify Business Associate, in writing and in a timely manner, of any change in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such change may affect Business Associate's permitted or required use or disclosure of PHI.
- c) Covered Entity shall notify Business Associate, in writing and in a timely manner, of any restriction to the use and/or disclosure of PHI, which Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
- d) Covered Entity shall have entered into "Business Associate Agreements" with any third parties (e.g., case managers, brokers or third party administrators) to which Covered Entity directs and authorizes Business Associate to disclose PHI.

7. Permissible Requests by Covered Entity

Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule or the Security Rule if done by Covered Entity.

8. Term and Termination

- a) Term. The term of this Agreement shall commence on the Effective Date, and shall terminate when Business Associate ceases providing services to or for Covered Entity that involves creating, receiving, maintaining or transmitting PHI on behalf of Covered Entity.
- b) Termination for Cause. Upon Covered Entity's knowledge of a material breach of this Agreement by Business Associate, Covered Entity shall either:
 - i) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; or

- ii) Immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible.

Business Associate shall ensure that it maintains the termination rights in this Section in any agreement it enters into with a subcontractor pursuant to Section 4(h) hereof.

c) Effect of Termination.

- i) Except as provided in paragraph (ii) of this Section, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall not retain copies of the PHI.
- ii) In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction not feasible. Upon determination that return or destruction of PHI is not feasible, Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction not feasible, for so long as Business Associate maintains such PHI.

9. Miscellaneous

- a) Regulatory References. A reference in this Agreement to a section in the Privacy Rule or the Security Rule means the section as in effect or as amended and for which compliance is required.
- b) Amendment. No change, amendment, or modification of this Agreement shall be valid unless set forth in writing and agreed to by both parties. Notwithstanding the foregoing, the parties acknowledge that state and federal laws relating to electronic data security and privacy are rapidly evolving and that amendment of this Agreement may be required to ensure compliance with such developments. The parties specifically agree to take such action as may be necessary from time to time for the parties to comply with the requirements of HIPAA. Covered Entity shall provide written notice to Business Associate to the extent that any final regulation or amendment to final regulations promulgated by the Secretary under HITECH requires an amendment to this Agreement to comply with HIPAA. The parties agree to negotiate an amendment to the Agreement in good faith; however, either party may terminate this Agreement upon ninety (90) days written notice to the other party if the parties are unable to reach an agreement.

- c) Survival. The respective rights and obligations of Business Associate under Section 8 of this Agreement shall survive the termination of this Agreement, unless expressly stated otherwise.
- d) Interpretation. Any ambiguity in this Agreement shall be resolved to permit Covered Entity and Business Associate to comply with HIPAA.
- e) Notice. Any notice, report or other communication required under this Agreement shall be in writing and shall be delivered personally, telegraphed, emailed, sent by facsimile transmission, or sent by U.S. mail.
- f) Governing Law. The rights, duties and obligations of the parties to this Agreement and the validity, interpretation, performance and legal effect of this Agreement shall be governed and determined by applicable federal law with respect to the Privacy Rule and the Security Rule and otherwise by the laws of the State of in which the Facility is located.
- g) Counterparts. This Agreement may be executed in one or more original counterparts and will become operative when each party has executed and delivered at least one counterpart. Each original counterpart will be deemed to be an original for all purposes, and all counterparts will together constitute one instrument.
- h) Signatures. This Agreement may be signed electronically and delivered by email, facsimile or similar transmission, and an email, facsimile or similar transmission evidencing execution, including PDF copies of executed counterparts, will be effective as a valid and binding agreement between the Parties for all purposes.

IN WITNESS THEREOF, each party has caused this Agreement to be executed by its duly authorized representative.

COVERED ENTITY:

BUSINESS ASSOCIATE:

HealthPRO® Therapy Services, LLC

Authorized Signature

Authorized Signature

Title

Title

Date

Date

To: Operating Board
Champaign County Nursing Home

From: Scott Gima

Date: May 6, 2015

Re: Recommendation of Top Ranked Vendor for RFP 2014-009 CCNH Pharmacy Services

On January 15, 2015, Champaign County received three proposals in response to RFP 2014-020 – Professional Services for Long Term Care Pharmaceutical Services and Long Term Care Pharmaceutical Consulting from the following bidders:

Uvanta
Rxperts
Williams Brothers

The bids were evaluated using a 100-point scoring system according to the following criteria and point values for each criteria.

REFERENCES AND RESULTS (0-20 POINTS):

Pharmacy providers will receive points based on references that are able to substantiate the provider's successful performance. Champaign County is interested in a stable pharmacy program and is interested in working with a pharmacy partner that has proven results. "Results" refers to your firm's demonstrated history of maintaining positive relationships in Nursing Home settings and in being able to respond to the needs of clinical staff, physicians included. Provide us with verifiable examples of your results and list references. Describe your method of ensuring delivery of routine and emergent medications, and the expected lead time on receiving routine and non-routine medications.

PHARMACEUTICAL PRICE AND NET COST TO CHAMPAIGN COUNTY (0-20 POINTS):

The proposals shall be rated on the proposed cost for the contract. All providers are encouraged to submit pricing information in several elements –pricing for Medicare Part A; pricing for house stock items; pricing for monthly consultancy services including a review of resident drug regimens consistent with IL regulations; pricing for medication exchange/stocking per episode; and pricing for medications that will be separately billed to private paying residents. Pricing for medications should be easily reconcilable by the facility to ensure ongoing pricing matches the contract. Providers should be able to explain how the facility can audit the medication invoice to the contract.

ADMINISTRATIVE SUPPORT (0-15 POINTS):

Pharmacy providers will be scored on their capabilities to complement Champaign County staff in medication administration, in their flexibility to handle emergency orders and substitutions, in their ability to work with physicians to select the most appropriate medication regimen, in their ability to provide clear and succinct billing support and data entry, and in the overall ease of using the pharmacy provider's systems, and in any training programs that the pharmacy will provide to Champaign County staff emphasizing compliance with State and Federal requirements.

PHARMACEUTICAL CONSULTING (0-45 POINTS):

Pharmaceutical consulting is a pivotal part of the overall pharmaceutical service given the recent OIG focus on the use of antipsychotic medications and total medication use. The OIG recently reported that 99% of providers are not in compliance with the use of antipsychotic medications as a component of the overall plan of care, as described in this report <https://oig.hhs.gov/oei/reports/oei-07-08-00151.pdf>. In addition, the OIG found that 51% of Medicare claims for antipsychotic drugs contained errors, as detailed in this report <https://oig.hhs.gov/oei/reports/oei-07-08-00150.pdf>. Champaign County seeks a consulting partner that can help achieve and maintain medication use compliance and minimize the use of medications in the interest of providing a person-

centered approach to medical care.

The bids were evaluated by Karen Noffke, Administrator, Kathy Vanderslice, Director of Nursing, Scott Gima and Paul Sasser of MPA.

Bidder	Reference s Results (20)	Pricing (20)	Administrativ e Support (15 Points)	Pharmaceutic al Consulting	Total
Uvanta	20	20	15	45	100
RxExperts	10	10	15	40	75
Williams Pharmacy	18	15	15	40	88

The evaluation matrix summary is included with this memorandum for your review. The following are highlights of the evaluation:

- The primary differentiation was pricing. Uvanta's bid was the lowest.
- Uvanta references provided excellent feedback. Willams Brothers references also provider very good feedback but two of the five references could not be reached. Only one of the three references for RxExperts provided feedback –which was excellent. The other two references could not be reached.
- Administrative support was excellent for all three bidders and were each given 15 points.
- Pharmaceutical consulting scores were very close. Uvanta was awarded slightly higher points due to the inclusion of work with the facility Medical Director on formulary management, which can be a significant cost and time saver if medications can be reduced. Uvanta also included psychotropic drug reduction as part of their consulting services.

RECOMMENDATION

Management and MPA recommends to the CCNH Board of Directors approval of contract to Uvanta as the the top-ranked vendor in response to this RFP.

Attachment

AGREEMENT FOR PHARMACY SERVICES

This Pharmacy Agreement ("Agreement") dated as of March 1, 2015, is between HAC 2, Inc. an Illinois corporation d/b/a Uvanta Pharmacy (the "Pharmacy"), 1053 Jason Place, Chatham, Illinois and Champaign County Nursing Home (the "Facility"), an Illinois corporation.

RECITALS

WHEREAS, Pharmacy is qualified, licensed, and capable of providing approved drugs, intravenous solutions, biological, and other pharmaceutical supplies and services ("Supplies and Services") to Facility and as required by the residents of Facility upon order of their physicians and in accordance with accepted professional principles and applicable local, state, and federal laws and regulations; and

WHEREAS, Facility is engaged in the operation of a nursing facility, for which it requires pharmacy services in accordance with applicable local, state and federal laws and regulations; and

WHEREAS, Facility desires to contract with Pharmacy for Pharmacy's Supplies and Services, and Pharmacy is willing to furnish such Supplies and Services as provided herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for the reliance of the parties hereto, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Facility and Pharmacy incorporate the foregoing recitals and further agree as follows:

ARTICLE 1 RESPONSIBILITIES OF THE PHARMACY

- 1.1 **Services.** For the benefit of Facility, Pharmacy will provide the following services:
- 1.1.1 Provide Supplies and Services in compliance with applicable local, state and federal laws and regulations for residents and Facility;
 - 1.1.2 Render all services in accordance with any applicable requirements of local, state, and federal laws and regulations, community standards of practice, and Pharmacy's Policies and Procedures Manual;
 - 1.1.3 Label all medications in accordance with local, state, and federal laws, rules, and regulations;
 - 1.1.4 Provide Supplies and Services in a prompt and timely manner;
 - 1.1.5 Provide Facility with a medication administration system, medication carts, treatment carts and all accessories for the system, where necessary. Such supplies and equipment will be the property of Pharmacy;
 - 1.1.6 Maintain drug profiles on each resident in Facility;
 - 1.1.7 Provide drug information and consultation to Facility's licensed professional staff regarding such Supplies and Services ordered; and
 - 1.1.8 Pharmacy will furnish and replenish, on a regular basis, an emergency and interim medication supply, the composition of which will comply with federal and state regulations, and be mutually agreed upon in writing by Pharmacy and Facility. Facility will assist Pharmacy in its efforts to allocate inventory removed from the interim supply to individual residents, and Facility agrees to pay Pharmacy directly for contents which cannot be so allocated.
- 1.2 **Delivery Schedule**¹⁾. Pharmacy agrees to deliver to Facility any prescriptions and supplies two (2) times each day, Monday through Friday, and one (1) time a day on Saturday, with an additional delivery if an emergency arises, except for circumstances and conditions beyond its control, which will include, but not be limited to, situations where Pharmacy's manufacturer/supplier is unable to provide the required item and Pharmacy is unable, after expending reasonable efforts, to provide an acceptable alternative.
- 1.3 **Emergency Drug Service.** Pharmacy will provide Supplies and Services on an emergency basis in a prompt and timely manner, in no case longer than four (4) hours, either itself or through arrangement with another pharmacy provider or community based resource. In the event Pharmacy cannot furnish an ordered medication on a prompt and timely basis, Pharmacy will immediately notify Facility.
- 1.4 **Equipment.** Pharmacy will furnish, at its expense, all equipment necessary for its provision of services under this Agreement. Pharmacy will, at its expense, be responsible for ongoing maintenance, repairs and reasonable wear and tear to Pharmacy's equipment utilized at Facility, unless the need for such maintenance and repair is due to Facility's abuse of the equipment. In such event, the expense for maintenance and repairs will be borne by Facility. All such equipment shall remain the property of Pharmacy.
- 1.5 **Routine Consulting Services**²⁾. Pharmacy will provide the following consulting services, which collectively shall be the "Routine Consulting Services":
- 1.5.1 Review the records for receipt and disposition of controlled drugs and the maintenance of such records;

- 1.5.2 Review the drug regimen of each resident in Facility and report any contraindication or irregularity to Facility's Administrator, the resident's physician and the Director of Nursing;
 - 1.5.3 Furnish, upon request, copies of all pharmacists' licenses, or letters from the appropriate Board of Pharmacy stating that such pharmacist's licenses are in good standing;
 - 1.5.4 Provide copies of Pharmacy's pharmaceutical care guidelines to Facility and consult with attending physicians and nurses to ensure compliance with the guidelines;
 - 1.5.5 Provide, upon request, assistance to Facility with the implementation of Pharmacy's policies and procedures;
 - 1.5.6 Work with Facility staff to ensure that inspections are done of each nursing station, its related drug storage area, and resident health records;
 - 1.5.7 Ensure the proper labeling of all Pharmaceutical Supplies and that labeling is based on currently accepted professional standards and includes the appropriate accessory and cautionary instructions as well as the expiration date, when applicable;
 - 1.5.8 Provide written reports to the Administrator or Director of Nursing regarding the status of Facility's pharmaceutical services and staff performance on the mutually agreed upon basis; and
 - 1.5.9 Perform all other responsibilities required of a pharmacy consultant as set forth by applicable local, state or federal laws and regulations.
- 1.6 **Non-Routine Consulting Services.** Pharmacy shall provide to Facility, at Facility's request, pharmacy-related consulting services other than the Routine Consulting Services ("Non-Routine Consulting Services"); provided that such Non-Routine Consulting Services are within Pharmacy's knowledge and expertise.
- 1.7 **Licenses and Exclusions.** Pharmacy shall ensure that the pharmacy and all pharmacy personnel are licensed as required by state law. Additionally, Pharmacy shall ensure that all staff are not excluded from participation in the Medicaid or Medicare Programs by the Office of the Inspector General. Pharmacy shall report any change in the status of the license of pharmacy or pharmacy personnel to Facility within 48 hours. Pharmacy shall notify Facility within 24 hours of the exclusion of any pharmacy personnel.

ARTICLE 2 **RESPONSIBILITIES OF THE FACILITY**

- 2.1 **Operations.** Facility will be responsible for the implementation of Pharmacy's Policies and Procedures upon the commencement of this Agreement and will implement and support the Pharmacy's Guidelines to assist Pharmacy in improving drug therapy for residents. Facility will make available to Pharmacy adequate working and storage space to allow Pharmacy to fulfill the services required of Pharmacy, including, but not limited to, adequate space at each nursing station for the storage of medication carts. Containers, or cards and equipment, will be provided by Pharmacy. Facility and Pharmacy will work together to instruct Facility's personnel to utilize the equipment properly.
- 2.2 **Ordering.** Facility will, whenever possible, order from Pharmacy all drugs, biological, and supplies for individual residents which are not commonly stocked in Facility. Notwithstanding the foregoing, the Parties recognize a nursing facility resident's right to choose his or her own pharmacy provider. Facility and its residents may purchase pharmaceutical services and supplies from sources other than Pharmacy, and in such cases where a resident has requested purchases be made from another pharmacy that request will be honored, in accordance with all other Facility policies regarding purchases from an outside pharmacy. Facility may also purchase "house supply" items from Pharmacy, as allowed by applicable local, state, and federal laws and regulations.
- 2.3 **Binding Data.** Facility will notify Pharmacy daily of any changes in resident medication upon receipt of physicians' orders or of changes as a result of room transfer or discharge. Facility will give Pharmacy reasonable access to all resident records (in accordance with all applicable laws and regulations), facilities, and supplies necessary for the performance of Pharmacy's duties under this Agreement, and Pharmacy will furnish to Facility, upon request, all information relating to the drugs, biological, and supplies furnished to Facility or to Facility residents.
- 2.4 **Policies and Procedures for Usage of Outside Pharmacies.** The Facility will comply with all applicable federal, state and local laws and regulations regarding a resident's right to choose his or her own pharmacy. Residents are to be informed of the concerns associated with using outside pharmacies due to the medication safety issues created by the disruption of normal ordering procedures and the risk of associated errors. In order to ensure proper medical care, cost-effective pharmacy services and supplies, and lower risk of medication errors and nursing time, Facility will require all outside pharmacies which supply drugs, biological, and supplies to residents within Facility to execute a contract with Facility. The contract will specify the policies and procedures for the dispensing of drugs, biological, and supplies to Facility residents, including, at a minimum, provisions for reporting, packaging, and labeling of all items dispensed in a manner consistent with the chosen dispensing system of Facility. The Facility will require all outside pharmacies to provide all forms, reports, electronic medical records, and consultant pharmacist reports consistent with those provided by the Pharmacy or currently used by the Facility. Facility will require that each resident electing to use a pharmacy other than Pharmacy specify such election in writing, and Facility will provide a copy of such election to Pharmacy. Pharmacy shall have no responsibility to

provide any services and supplies for any such resident. It will be Facility's or outside pharmacy's responsibility to seek reimbursement from the resident, where necessary. In the event that Pharmacy is responsible for preparing, compiling, copying or creating any data for residents' medical records, the Pharmacy reserves the right to charge a reasonable charge relating to the costs incurred for such services.

ARTICLE 3 FINANCIAL ARRANGEMENTS

- 3.1 **Medication Billing.** Pharmacy shall bill Facility, the resident, or a third-party payor, as applicable.
- 3.2 **Routine Consultant Services.** For Routine Consultant Services, Facility shall have the option of paying for such services (1) at Pharmacy's regular hourly rate for consultants (currently \$60.00/hour), subject to application of a discount of Twenty Percent (20%) from such regular hourly rate; or (2) a monthly rate, not subject to the aforementioned discount, which is equal to Three Dollars and fifty cents (\$3.50) multiplied by the number of occupied nursing facility beds at Facility. Facility may choose a particular methodology for payment of the Routine Consulting Services for periods of no more than three consecutive months; and such choice shall apply to all Routine Consultant Services rendered at Facility during the time period chosen. If Facility requests to change the payment methodology for Routine Consulting Services, then such request will take effect on the first day of the first calendar month following the date notification by Facility of the desired change is received by Pharmacy; provided, however, that if such first day of the calendar month falls sooner than fifteen (15) days after the notification is received by Pharmacy, then the request shall take effect on the first day of the second calendar month following the date notification by Facility of the desired change is received by Pharmacy. The parties agree that Pharmacy may adjust its fees biannually to reflect any increase in the cost of providing these services.
- 3.3 **Non-Routine Consultant Services.** For Non-Routine Consultant Services, Facility shall pay Pharmacy's regular hourly rate for consultants (currently \$60.00/hour), subject to application of a discount of Twenty Percent (20%) from such regular hourly rate.
- 3.4 **Invoices.** Pharmacy shall submit to Facility a monthly invoice for all sums owed by Facility to Pharmacy under this Agreement. Payment on such invoices shall be due within sixty (60) days of receipt by Facility. Payments not received by Pharmacy within ninety (90) days of receipt of an invoice by Facility shall be subject to a late fee of One Percent (1%) per month. The Facility will notify Pharmacy within thirty (30) days of the billing date of the Pharmacy's invoice indicating any amounts in dispute.
- 3.5 **Nonpayment.** The Parties agree that Pharmacy pursuant to this Agreement shall have the right refuse to supply drugs, biological, and supplies to a resident for reason of nonpayment or delinquent payment. This provision shall not impede Pharmacy's ability to collect for nonpayment via any other lawful means. Pharmacy shall give Facility and resident at least 15-day prior written notice that drugs, biologicals and supplies will no longer be supplied.
- 3.3 **Cost Reports.** Upon request, Pharmacy shall prepare and submit to Facility the cost report data necessary for submission of Facility's cost reports.

ARTICLE 4 RECORDS

- 4.1 **Maintenance of Records.** Both parties agree to keep and supply records to the other upon request in such form and for such duration as may be required by Federal, State and local statutes and regulations
- 4.2 **Availability of Records.** Pharmacy shall make any and all books and records related to this Agreement available to Facility for inspection and/or audit upon request by Facility.
- 4.3 **Confidentiality and HIPAA.** Pharmacy and Facility agree to safeguard all Protected Health Information as required under HIPAA. The HIPAA compliance procedures contain measures to ensure appropriate compliance with all HIPAA rules, including the Minimum Necessary use Rule and the Business Associate Rule. Pharmacy agrees to maintain the confidentiality of information pertaining to Facility's residents in accordance with all applicable laws. The termination of this Agreement shall have no effect on the obligation contained in this clause.
- 4.4 **Compliance Audits.** Until the expiration of four (4) years after the furnishing of Services pursuant to this Agreement, Pharmacy shall, upon written request, make available to the Secretary of the Department of Health and Human Services ("HHS"), the Comptroller General, or any of their duly authorized representatives, this Agreement, and any books, documents and records that are necessary

to certify the nature and extent of the costs incurred by Facility under this Agreement. This provision will apply if the amount paid under the Agreement is \$10,000 or more over a twelve (12) month period. The availability of Pharmacy's books, documents and records will at all times be subject to such criteria and procedures for seeking access as may be promulgated by the Secretary of HHS in regulations, and other applicable laws. Pharmacy's disclosure under this provision will not be construed as a waiver of any legal rights to which Pharmacy or Facility may be entitled under statute or regulation.

- 4.5 **Subcontractors.** If Pharmacy performs any of its duties pursuant to this Agreement through a subcontractor, with a value or cost of \$10,000 or more over a twelve (12) month period, then Pharmacy warrants that it will include a provision in the agreement with the subcontractor substantially similar to Section 4.4 above.

ARTICLE 5

TERM AND TERMINATION

- 5.1 **Initial and Renewal Terms.** The term of this Agreement shall commence as of the date of this Agreement and shall continue for three (3) years ("Initial Term"). This Agreement will automatically renew for additional successive one (1) year terms (each a "Renewal Term") upon expiration of the Initial Term, unless terminated.

- 5.2 Termination.

5.2.1 **Termination Without Cause.** Either party may terminate this Agreement at any time without cause by notifying the other party in writing no less than ninety (90) days prior to the expiration of the Initial Term or a Renewal Term.

5.2.2 **Termination for Default.** If either party defaults in the performance of its obligations under their Agreement and such default is not cured within ninety (90) days of the receipt of written notice (or thirty (30) days in the case of an obligation to pay money), then the non-defaulting party will have the right in addition to any other rights it may have, by further written notice to terminate this Agreement on any future date not less than ten (10) days from the date of such further notice.

- 5.3 **Termination for Specific Occurrences.** Either Party may also terminate this Agreement in the event that the other Party:

5.3.1 files voluntarily for bankruptcy protection or other protection from creditors, or has an involuntary petition filed against it which is not dismissed within 180 days of filing;

5.3.2 is convicted of a felony, or of a misdemeanor relating to the provision of or billing for health care items and services; or

5.3.3 is excluded from participation in the Medicare or Medicaid programs.

5.3.4 In addition, Pharmacy upon thirty (30) days written notice has the right to terminate the Agreement for Facility's delinquent payments. For purposes of this section delinquent payments are where the Facility is more than ninety (90) days past due on its account balances.

- 5.4 **Effect of Termination.** Upon termination of this Agreement, neither Party shall have any further obligation hereunder except: for obligations accruing prior to the date of termination; for obligations, promises, or covenants contained herein which are expressly made to extend beyond the term of this Agreement. Pharmacy will arrange for the return of any of its material or supplies at its sole expense.

ARTICLE 6

Miscellaneous

- 6.1 **Insurance.** Pharmacy shall provide worker's compensation, professional liability and general liability for any qualified personnel placed by the Pharmacy at Facility, of no less than one million dollars (\$1,000,000) per incident and three million dollars (\$3,000,000) in the aggregate. Pharmacy shall submit to Facility at Facility's request, a copy of a policy or certificate of insurance. Facility shall provide worker's compensation, professional liability and general liability insurance coverage at Facility, of no less than one million dollars (\$1,000,000) per incident and three million dollars (\$3,000,000) in the aggregate. Facility shall submit to Pharmacy at Pharmacy's request, a copy of a policy or certificate of insurance.

- 6.2 **Indemnification.** Each Party will indemnify and hold the other Party harmless from and against all claims, demands, costs, expenses, liabilities and losses, including reasonable attorneys' fees which may arise against the other Party as a result of any alleged malfeasance, neglect or medical malpractice by the indemnifying Party, its employees, agents or contractors.

6.2.1 **Indemnification of Facility by Pharmacy.** Pharmacy agrees to indemnify and hold Facility, its members, officers, and directors, trustees, employees, and agents harmless from any loss, damage, action, costs, attorneys' fees, expenses, or other claims arising from any services provided by Pharmacy. The indemnification of Facility by Pharmacy provided for in this section shall survive the termination of this Agreement.

6.2.2 **Indemnification of Pharmacy by Facility.** Facility agrees to indemnify and hold Pharmacy, its shareholders, officers, directors, employees and agents harmless from any loss,

damage, action, costs, attorneys' fees, expenses, or other claims arising from any third party claim, demand or action arising from Facility's breach of any representation, covenant, duty, or agreement in this Agreement. The indemnification of Pharmacy by Facility provided for in this section shall survive the termination of this Agreement.

6.3 **Independent Contractors.** None of the provisions of this Agreement are intended to create (nor shall be deemed or construed to create) any relationship between the Parties other than that of independent entities contracting with each other solely for the purpose of effecting the provisions of this Agreement. Neither Party, nor any employees or agents thereof, shall have any claim under this Agreement or otherwise against the other Party for social security benefits, workman's compensation, disability benefits, unemployment insurance, vacation, sick pay or any other employee benefits of any kind.

6.4 **Governing Law.** This Agreement has been executed and delivered in, and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of Illinois. The county of Sangamon, State of Illinois, shall be the sole and exclusive venue for any litigation, special proceeding, or other proceeding between the Parties that may be brought, arise out of or in connection with or by reason of this Agreement.

6.5 **Notices.** Notices or communications to be given under this Agreement will be given to the respective parties in writing either by personal delivery or by United States registered or certified mail, postage prepaid, or by a nationally recognized overnight delivery service as follows:

To Facility:
Champaign County
500 Bartell Rd.
Urbana, IL

To Pharmacy:
Uvanta Pharmacy of Central Illinois
1053 Jason Place Chatham, IL 62629

or at such other addresses and to such other persons as either party may from time to time designate by notice given as herein provided. Such notices or communications will be deemed to have been given three (3) days after deposit in the United States mail or one (1) day after delivery to an overnight delivery service.

6.6 **Assignment.** No assignment of this Agreement or the rights and obligations hereunder shall be valid without the specific written consent of both Parties hereto, provided that either Party may assign this Agreement to a purchaser of substantially all of such Party's assets (through asset or equity purchase, or otherwise), or to the surviving entity in the event that a Party is merged or consolidated with another entity.

6.7 **Waiver.** Waiver by either party of a breach or violation of any provision of this Agreement will not operate as, or be construed to be, a waiver of any prior, concurrent, or subsequent breach. None of the provisions of this Agreement will be considered waived by either party except when such waiver is given in writing.

6.8 **Severability.** In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Agreement, which shall remain in full force and effect and enforceable in accordance with its terms.

6.9 **Gender and Number.** Whenever the context hereof requires, the gender of all words shall include the masculine, feminine, and neuter, and the number of all words shall include the singular and plural.

6.10 **Entire Agreement.** This Agreement constitutes the entire Agreement of the Parties with respect to the subject matter hereof, and all prior and contemporaneous understandings, agreements and representations, whether oral or written, with respect to such matters are superseded.

6.11 **Amendments.** This Agreement may only be amended by the written consent of both Parties.

6.12 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original, but all of which shall be deemed to constitute one instrument.

6.13 **Compliance With Laws.**

6.13.1 Both Parties agree to comply with all applicable Federal and State laws prohibiting discrimination against persons on account of race, sex, color, age, religion, national origin, or disability.

6.13.2 Each Party certifies that it and its employees and agents comply with, are not under investigation for violations of, and have never been convicted of violations of, any Federal and State laws governing the Medicare and Medicaid programs (including but not limited to, provisions regarding the billing of services and the referral of patients), laws relating to patient abuse or neglect, health care fraud, and laws governing controlled substances.

6.13.3 Nothing in this Agreement shall be construed as an offer or payment by one Party to the other Party (or any affiliate of the other Party) of any remuneration for patient referrals, or for recommending or arranging for the purchase, lease or order of any item of service for which payment may be made in whole or in part by Medicare or Medicaid. Any payment made between Pharmacy and Facility is intended to represent the fair market value of the supplies and/or services to be rendered by the respective Party hereunder and are not in any way

related to or dependent upon referrals by and between Facility and Pharmacy. Furthermore, it is the stated intent of both Parties that nothing contained in this Agreement is or shall be construed as an endorsement for any act of either Party.

6.13.4 The Parties certify that all actions taken by either of them in accordance with or appurtenant to this Agreement are intended to be in compliance with all applicable federal, state and local laws, rules and regulations.

6.14 **Binding Effect.** This Agreement shall be binding upon the Parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

6.15 **Force Majeure.** If either Party fails to perform its obligations hereunder (except for the obligation to pay money) because of strikes, accidents, acts of God, weather conditions, or action or inaction of any government body or other proper authority or other causes beyond its control, then such failure to perform will not be deemed a default hereunder and will be excused without penalty until such time as said party is capable of performing.

6.16 **Confidentiality.** Except as otherwise provided herein or as required by applicable law or the rules of any applicable securities exchange, both parties agree to keep this Agreement and its contents confidential and not to disclose this Agreement or its contents to any third party without the written consent of the other party. Provided that the Facility may disclose any and all information pertaining to this Agreement and its contents to its legal counsel, accountants, and administrative staff at any time. This Agreement and its contents may also be disclosed as necessary to enforce this Agreement in the court of law.

6.17 **Attorneys' Fees.** If either party brings an action against the other to enforce any condition or covenant of this Agreement, including the use of agency fees, the substantially prevailing party shall be entitled to recover its court costs and reasonable attorneys' fees incurred in such action.

IN WITNESS WHEREOF, the parties have each caused this Agreement to be duly executed by its duly authorized officer, as of the date first above written.

HAC 2, Inc.
dba Uvanta Pharmacy

Donna Mattera RPh., President

Facility
By: _____

MEDICARE RESIDENTS PRICING ADDENDUM

ARTICLE 7

7.1 This Medicare resident pricing addendum is part of the Pharmacy Services Agreement, and is in effect as of the date set forth hereof. This addendum covers all legend and nonlegend items, as well as IV Therapy products, that are provided by the Pharmacy to Facility residents while on "Medicare" status in the facility. "Medicare" status refers to those residents in which the Facility receives reimbursement from Medicare for skilled nursing facility services provided to such residents.

7.2 Each month the Pharmacy will include on its facility invoice the charges for all legend, non-legend, and IV Therapy products provided to all "Medicare" status residents at the following agreed upon rate schedule:

Brand Name items: WAC (Wholesaler Acquisition Cost) plus two dollars and forty cents (\$2.40). Brand medications are not listed on the Illinois SMAC list.

7.3 3 Generic items: SMAC plus five dollars and fifty cents (\$5.50) (SMAC is updated monthly in our pricing system through a company that we contract called Gold Standard).

This pricing formula reflects the current Medicaid Reimbursement Rate from the State of Illinois. If and when the rate changes, Pharmacy and Facility agree to update the Medicare Residents Pricing Addendum to the then current State of Illinois Medicaid Reimbursement Rate.

Facility Initials

Pharmacy Initials

To: Operating Board
Champaign County Nursing Home

From: Scott Gima

Date: May 6, 2015

Re: Recommendation for RFP 2014-001
Dining Services Management

The food services management RFP closed on April 13th. Health Care Services Group was the only vendor that submitted an RFP bid. Seven vendors, including HCSG voiced initial interest in submitting a bid. Two vendors stated that the RFP timeline was too short for them to respond.

Management and MPA recommends to the CCNH Board of Directors that management and MPA negotiate a one (1) year agreement with Health Care Services Group. The agreement will include measureable goals and/or outcomes that will be used to re-evaluate their services at the end of the 2015 calendar year. If the goals/outcomes have not been met, an RFP will be issued in early 2016 with the selected vendor providing services effective July 1, 2016. If an RFP is issued, commencing the RFP process at the beginning of 2016 will provide more than adequate timeline for RFP responses.

Action Plan Update

Issue 1

Current Open Positions

The table below summarizes the current open positions. The CNA openings reflect availability for both full-time and part-time positions. The total number of available positions equals 31.6 FTEs. Overtime and agency are used to fill the open shifts. There are no immediate needs for RNs and LPNs, however, recruitment will continue in efforts to obtain a higher mix of RNs and the need to find RNs and LPNs that are willing to work on a PRN basis.

	Number of Openings		
	10/21	4/7/2015	5/1/15
Director of Nursing	-	-	-
Assistant Director of Nursing (RN)	1	-	-
Unit Manager for Rehabilitation (RN)	1	-	-
RN Shift Supervisor	2	1	1
Nurse (1 FT, RN or LPN; 1 PT, RN or LPN)	2	4	4
Care Plan Coordinator (RN preferred)	1	1	1
Assistant Care Plan Coordinator (RN preferred, LPN minimum)	1	-	-
CNA Team Leader - Long Term Care	3	1	1
CNA Team Leader - Rehabilitative	2	1	1
CNA Team Leader - Dementia	1	1	1
CNA (1 FT, 1 PT)	2	2	2
Social Services Director (LCSW or MSW)	1	-	-
Activities Assistant	1	1	-
Cook/Assist Cook	1	1 Cook, 1 Asst Cook	1 Cook, 1 Asst Cook
Food Service Worker	2	2	1
Transporation Assistant	1	-	-
Volunteer Coordinator	1	-	-
Laundry Worker	-	1.5	0
Central Supply Clerk	1	0	0
	24	17.5	14

Issue 1

HR Dashboard

The Dashboard includes February and March data. I replaced the hiring table with the Applications/Hires/Separations table. It includes data for CNAs and dietary.

Retention Rate (12 month rolling average)	Jan 14 to Jan 15	Feb 14 to Feb 15	Mar 14 to Mar 15	Benchmark
All	68.9%	70.0%	67.0%	73.1%
All Nursing	67.80%	70.9%	66.9%	67.8%
CNAs	69.2%	71.6%	72.2%	67.5%

Turnover Rate (12 month rolling average)	Jan 14 to Jan 15	Feb 14 to Feb 15	Mar 14 to Mar 15	Benchmark
All	51.3%	55.3%	58.4%	45.2%
All Nursing	52.9%	57.3%	54.8%	51.4%
CNAs	64.1%	70.3%	75.0%	52.4%

Benchmark - American Healthcare Association Quality Report 2013

Separation Statistics (12 month rolling average)	Total	< 6 mos	6-11 mos	12 or less	1 year	2 years	3 years	4+ years	
January 14 to January 15	All	115	52	13	65	24	8	4	14
	CNAs	50	19	8	27	13	5	0	5
	Dietary	28	21	4	25	1	1	0	1
February 14 to February 15	All	120	56	15	71	21	9	4	15
	CNAs	52	22	9	31	10	5	0	6
	Dietary	27	19	4	23	2	1	0	1
March 14 to March 15	All	129	62	14	76	23	9	5	16
	CNAs	54	24	8	32	11	5	0	6
	Dietary	31	23	4	27	2	1	0	1

Open Positions by Month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Target FTEs
CNAs Hired (FTEs)	55.4	50.2	52.6	53.3									84.2
CNAs Open Positions (FTEs)	28.8	34.0	31.6	30.9									
Dietary Hired (FTEs)		15.2	16.2	15.8									19.65
Dietary Open Positions (FTEs)		4.45	3.5	3.85									

Applications/Hires/Separations	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
CNAs												
Applications			25									
Hires		4	8	2								
Separations		7	4	4								
Dietary												
Applications			26									
Hires		0	4	1								
Separations		4	4	1								

**Champaign County Nursing Home
 Strategic Objective Metrics – Issue 1
 Updated April 30,2015**

<i>Annual Turnover Rate</i>	
Annual turnover rate – Data from American Healthcare Association Quality Report 2013 <ul style="list-style-type: none"> • 45.0% 2011 • 37.0% 2010 • 42.0% 2009 • 45.1% 2008 	FY2015 – 58.4% (Mar 14 to Mar 15) FY2014 – 52.0% FY2013 – 63% FY2012 – 52% FY2011 – 68% FY2010 – 53%

**Issue 2
Supervision Improvement**

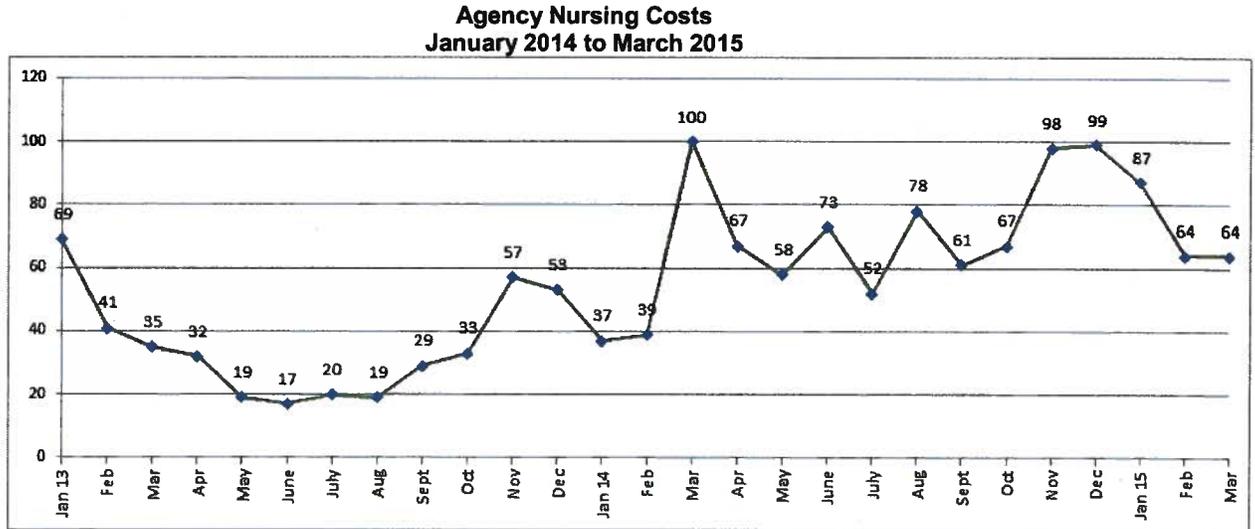
CMS Direct Care Staffing Levels (as of March 2015)

		This first group of values include values derived from those reported by the nursing home on the CMS 671 and 672 reporting forms.					This second group of values presents CMS's calculation of expected staffing time based on the RUGS 53 staff time values for residents in the nursing home at the time of the survey.					This third group of values represents the adjusted time, which is calculated by this formula: Hours Adjusted = (Hours Reported/Hours Expected)* Hours National Average				
		Reported Hours Per Resident Per Day					Expected Hours Per Resident Per Day					Adjusted Hours Per Resident Per Day				
Provider Name	CITY	Aides	LPNs	RNs	Total Licensed	Total Nursing	exp_aide	exp_LPN	exp_RN	exp_nurse	exp_all	adj_aide	adj_lpn	adj_m	adj_nurse	adj_total
CHAMPAIGN COUNTY NURSING HOME	URBANA	1.96	0.52	0.57	1.09	3.05	2.36	0.59	0.91	1.50	3.86	2.04	0.73	0.47	1.15	3.19
CHAMPAIGN URBANA NRSG & REHAB	SAVOY	2.17	0.92	0.62	1.54	3.71	2.41	0.69	1.15	1.84	4.25	2.21	1.10	0.41	1.32	3.52
HELIA HEALTHCARE OF CHAMPAIGN	CHAMPAIGN	1.60	0.51	0.48	0.99	2.59	2.22	0.59	0.90	1.49	3.72	1.77	0.71	0.40	1.04	2.81
HEARTLAND OF PAXTON	PAXTON	1.98	0.89	0.88	1.78	3.75	2.49	0.70	1.17	1.87	4.36	1.95	1.06	0.56	1.50	3.47
HEARTLAND OF CHAMPAIGN	CHAMPAIGN	1.99	1.00	0.81	1.81	3.80	2.34	0.68	1.28	1.96	4.29	2.09	1.22	0.47	1.46	3.57
ILLINI HERITAGE REHAB & HC	CHAMPAIGN	1.91	0.70	0.47	1.17	3.08	2.34	0.58	0.85	1.43	3.77	2.01	1.00	0.41	1.29	3.30
COUNTRY HEALTH	GIFFORD	1.86	0.65	0.76	1.41	3.27	2.46	0.60	0.98	1.58	4.04	1.86	0.90	0.58	1.41	3.27
Area Average		1.93	0.74	0.66	1.40	3.32	2.37	0.63	1.03	1.67	4.04	1.99	0.96	0.47	1.31	3.30
Illinois State Average		2.22	0.59	0.92	1.51	3.73	2.38	0.63	1.03	1.66	4.04	2.27	0.78	0.64	1.42	3.69

Data for area facilities will be updated in June. CCNH data will be updated as soon as it is available.

Agency Usage Trends - Expenses

Agency expenses fell to \$64,179 in February, the third straight monthly decline. March agency expenses totaled \$64,053



Champaign County Nursing Home
Strategic Objective Metrics – Issue 2
Updated April 30, 2015

Nursing Management	Status
<i>Fill Director of Nursing Position in 2015</i>	Filled 1/26/15.
<i>Nurse Education</i>	
Carle Clinic Emergency Department Collaborative Training for nurses and CNAs. The goal is to train 90% of nurses and CNAs.	Annual training requirement: 86% (44/51) nurses trained 100% (53/53) CNAs trained Added to orientation going forward *Plan to use this in orientation but replace with Skills proficiency days by Summer 15
IV training through pharmacy. The goal is 90% of nurses trained by end of 2015.	Annual training requirement: 86% 44/51 nurses trained Next class to training remainder Summer 15
Trach education. 90% of all nurses will be trained by the end of 2015.	Annual training requirement: 76.5% (39/51) nurses trained Next class once PEL/VIP on board to complete training requirements for licensed staff
Skills training opportunities – collaborative effort with Carle Clinic or teaching programs. 90% of all nurses will be trained by the end of 2014.	See above Carle Clinic ER collaborative training.
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.	Dr. McNeal and Christie Clinic Nurse Practitioner have taken over the Quarterly nurse training activities. Jan 2015 Delirum assessment/reporting April 2015 Customer Service July 2015 TBD

Issue 3

Quality of Care

Champaign County Area Homes – CMS Nursing Home Compare Summary

The chart on the next page summarizes the current CMS five-star ratings for the eight nursing homes in the Champaign County area. Five homes including CCNH have an overall rating of one star. The other one-star facilities include Champaign Urbana Nursing and Rehabilitation, Helia, Heartland of Paxton, and Heartland of Champaign. Illini Heritage is a three-star facility. Country Health is a four-star facility. Clark-Lindsey Village has a five-star facility.

The information will be updated with the next

Issue 3 - Champaign County Area Homes – CMS Nursing Home Compare Summary

Nursing Home General Information	CHAMPAIGN COUNTY NURSING HOME 500 SOUTH ART BARTELL DRIVE URBANA, IL 61802 (217) 384-3784 Distance : 1.0 miles	3/31/15 Update	CHAMPAIGN URBANA NRSG & REHAB 302 WEST BURWASH SAVOY, IL 61874 (217) 402-9700 Distance : 4.9 miles	HELIA HEALTHCARE OF CHAMPAIGN 1915 SOUTH MATTIS STREET CHAMPAIGN, IL 61821 (217) 352-0516 Distance : 3.9 miles	HEARTLAND OF PAXTON 1001 EAST PELLIS STREET PAXTON, IL 60957 (217) 379-4361 Distance : 31.9 miles	HEARTLAND OF CHAMPAIGN 309 EAST SPRINGFIELD CHAMPAIGN, IL 61820 (217) 352-5135 Distance : 1.0 miles	COUNTRY HEALTH RURAL ROUTE 1 BOX 14 GIFFORD, IL 61847 (217) 568-7362 Distance : 21.8 miles	ILLINI HERITAGE REHAB & HC 1315B CURT DRIVE CHAMPAIGN, IL 61820 (217) 352-5707 Distance : 4.2 miles	CLARK-LINDSEY VILLAGE 101 WEST WINDSOR ROAD URBANA, IL 61801 (217) 344-2144 Distance : 2.1 miles
Overall Rating	Rating: 2 out of 5 Below Average	Rating: 2 out of 5 Below Average	Rating: 1 out of 5 Much Below Average	Rating: 1 out of 5 Much Below Average	Rating: 1 out of 5 Much Below Average	Rating: 1 out of 5 Much Below Average	Rating: 4 out of 5 Above Average	Rating: 3 out of 5 Average	Rating: 5 out of 5 Much Above Average
Health Inspection	Rating: 1 out of 5 Much Below Average	Rating: 1 out of 5 Much Below Average	Rating: 1 out of 5 Much Below Average	Rating: 1 out of 5 Much Below Average	Rating: 1 out of 5 Much Below Average	Rating: 1 out of 5 Much Below Average	Rating: 4 out of 5 Above Average	Rating: 3 out of 5 Average	Rating: 4 out of 5 Above Average
Staffing	Rating: 2 out of 5 Below Average	Rating: 3 out of 5 Average	Rating: 3 out of 5 Average	Rating: 2 out of 5 Below Average	Rating: 3 out of 5 Average	Rating: 3 out of 5 Average	Rating: 2 out of 5 Below Average	Rating: 3 out of 5 Average	Rating: 5 out of 5 Much Above Average
Quality Measures	Rating: 5 out of 5 Much Above Average	Rating: 5 out of 5 Much Above Average	Rating: 4 out of 5 Above Average	Rating: 3 out of 5 Average	Rating: 2 out of 5 Below Average	Rating: 4 out of 5 Above Average	Rating: 4 out of 5 Above Average	Rating: 3 out of 5 Average	Rating: 5 out of 5 Much Above Average
Number of Certified Beds	243		213	118	106	102	89	60	25
Participation: (Medicare/Medicaid)	Medicare and Medicaid		Medicare and Medicaid	Medicare and Medicaid	Medicare and Medicaid	Medicare and Medicaid	Medicare and Medicaid	Medicare and Medicaid	Medicare
Automatic Sprinkler Systems: in All Required Areas	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes
Within a Continuing Care Retirement	No		No	No	No	No	No	No	Yes
Within a Hospital	No		No	No	No	No	No	No	No
With a Resident and Family Council	BOTH		RESIDENT	RESIDENT	NONE	RESIDENT	RESIDENT	RESIDENT	RESIDENT
Ownership	Government - County Get More Ownership Information		For profit - Partnership Get More Ownership Information	For profit - Corporation Get More Ownership Information	For profit - Individual Get More Ownership Information	For profit - Corporation Get More Ownership Information	Non profit - Other Get More Ownership Information	For profit - Corporation Get More Ownership Information	Non profit - Corporation Get More Ownership Information

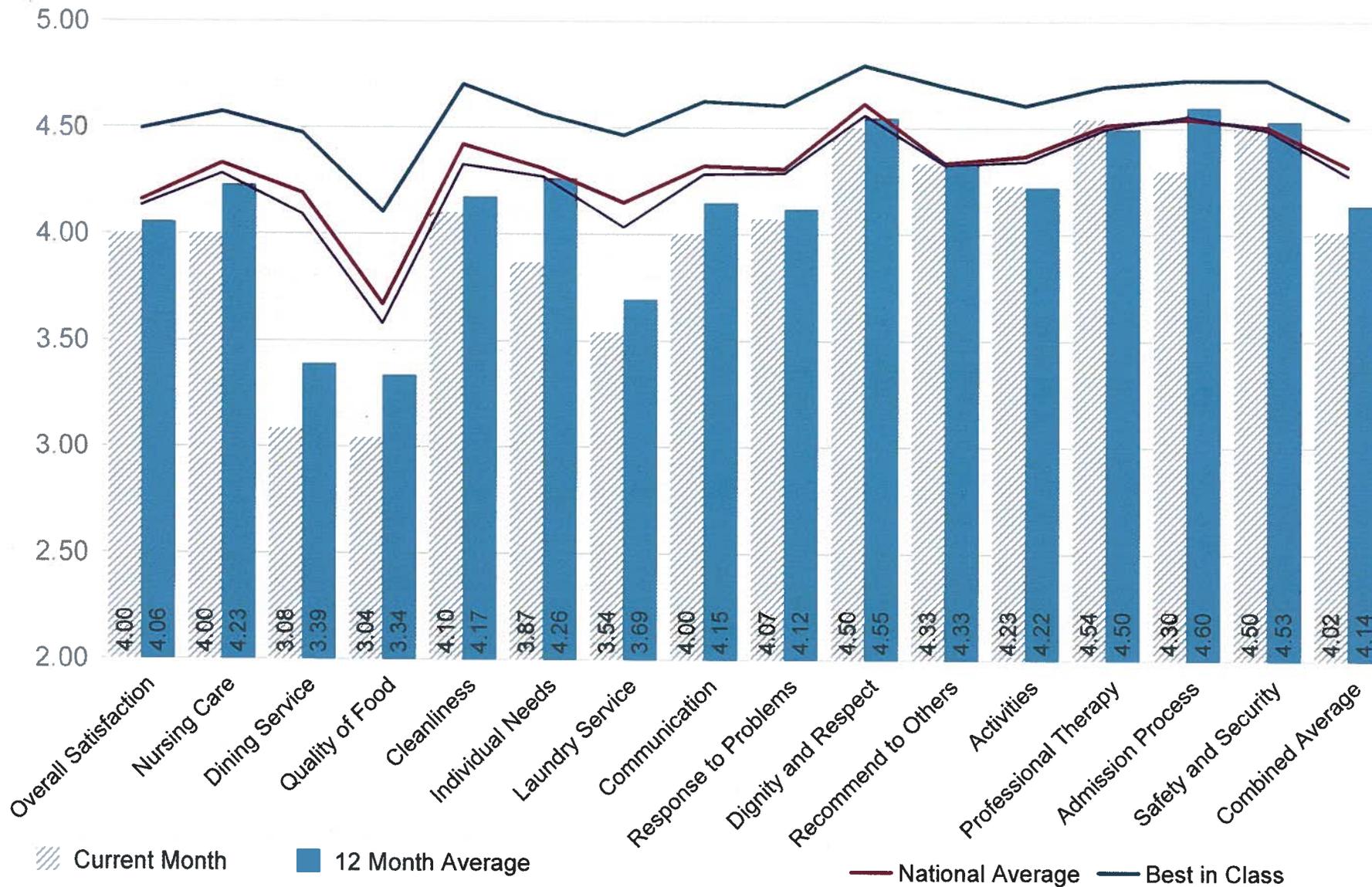
Issue 3**Quality of Care (Continued)**

Please see attached Pinnacle Satisfaction Survey for April 2015.

The quality measures improved from 4 to 5 stars. The staffing rating gained a star. Both changes resulted in the overall rating change from one to two stars.

	Overall Rating	Health Inspection	Quality Measures	Staffing	RN Staffing
2/28/15	1	1	4	2	3
3/31/15	2	1	5	3	3

— Illinois State Comparison





DASHBOARD - CHAMPAIGN COUNTY NURSING HOME

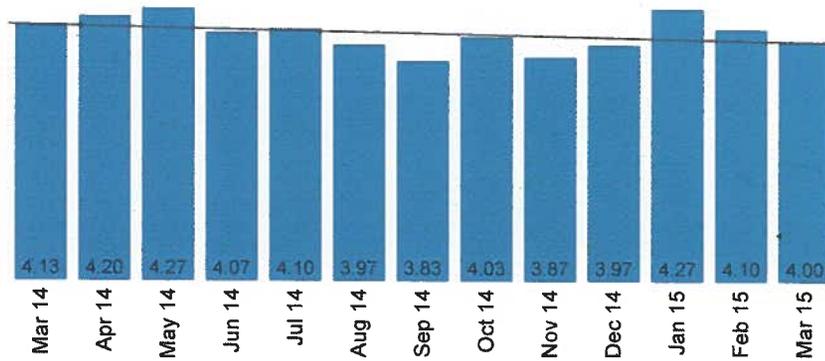
The following report displays the average score for the last month, last 3 months, and last 12 months. The variance shows the difference from the National Average. The National Average, Best in Class Level and Company Average (if applicable) are listed for comparative purposes. Quarterly averages are rolling quarters. The arrows indicate if the recent quarter is above or below the average of the previous three quarters. The report also shows the percentages of positive responses (4s and 5s) and negative responses (1s and 2s).

22

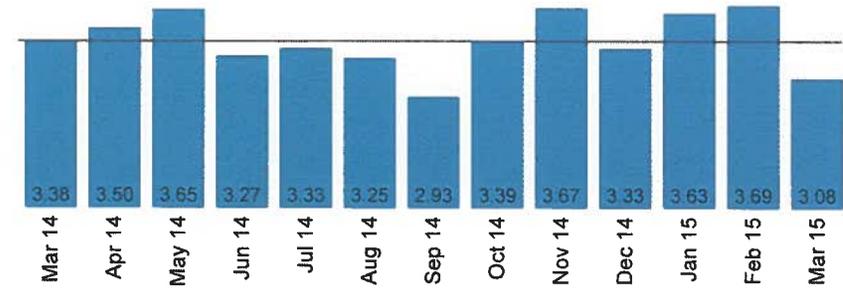
	AVERAGES				BENCHMARKS			QUARTERLY AVERAGES				RESPONSE PERCENTAGES					
	Mar 15	Last 3 Months	Last 12 Months AVG	Variance	National AVG	Best in Class	Corp. AVG	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Top 2 Satisfied			Bottom 2 Dissatisfied		
												Month	QRTR	Year	Month	QRTR	Year
Overall Satisfaction	4.00	4.12	4.06	-0.10	4.16	4.50	-	↑ 4.12	3.96	3.97	4.18	73%	82%	76%	0%	2%	2%
Nursing Care	4.00	4.17	4.23	-0.10	4.33	4.58	-	↓ 4.17	4.22	4.28	4.25	53%	75%	81%	7%	7%	3%
Dining Service	3.08	3.47	3.39	-0.80	4.19	4.48	-	↑ 3.47	3.46	3.17	3.48	25%	46%	45%	33%	22%	25%
Quality of Food	3.04	3.17	3.34	-0.34	3.67	4.11	-	↓ 3.17	3.28	3.14	3.70	17%	31%	43%	25%	26%	23%
Cleanliness	4.10	4.14	4.17	-0.25	4.42	4.71	-	↓ 4.14	4.20	3.94	4.41	73%	80%	78%	0%	2%	3%
Individual Needs	3.87	4.17	4.26	-0.05	4.31	4.57	-	↓ 4.17	4.20	4.32	4.37	53%	78%	84%	7%	4%	3%
Laundry Service	3.54	3.50	3.69	-0.46	4.15	4.47	-	↓ 3.50	3.55	3.68	4.05	42%	50%	60%	17%	20%	12%
Communication	4.00	4.13	4.15	-0.18	4.32	4.63	-	↓ 4.13	3.85	4.28	4.32	80%	84%	79%	20%	9%	7%
Response to Problems	4.07	4.15	4.12	-0.19	4.31	4.61	-	↑ 4.15	4.09	4.11	4.12	64%	81%	75%	0%	5%	6%
Dignity and Respect	4.50	4.64	4.55	-0.07	4.61	4.80	-	↑ 4.64	4.47	4.46	4.63	80%	91%	91%	0%	0%	0%
Recommend to Others	4.33	4.40	4.33	0.00	4.33	4.70	-	↑ 4.40	4.18	4.24	4.50	87%	89%	85%	0%	0%	3%
Activities	4.23	4.42	4.22	-0.15	4.37	4.61	-	↑ 4.42	4.18	4.14	4.13	73%	85%	80%	9%	3%	4%
Professional Therapy	4.54	4.55	4.50	-0.02	4.51	4.70	-	↑ 4.55	4.56	4.35	4.52	83%	88%	92%	0%	3%	2%
Admission Process	4.30	4.70	4.60	0.05	4.54	4.73	-	↑ 4.70	4.56	4.55	4.59	80%	95%	93%	20%	5%	2%
Safety and Security	4.50	4.50	4.53	0.03	4.51	4.73	-	↓ 4.50	4.49	4.53	4.60	93%	91%	92%	0%	0%	1%
Combined Average	4.02	4.15	4.14	-0.18	4.32	4.55	-	↑ 4.15	4.08	4.07	4.25	66%	77%	77%	8%	7%	6%

Total Respondents: March: 15 Last 3 Months: 45 last 12 months: 181

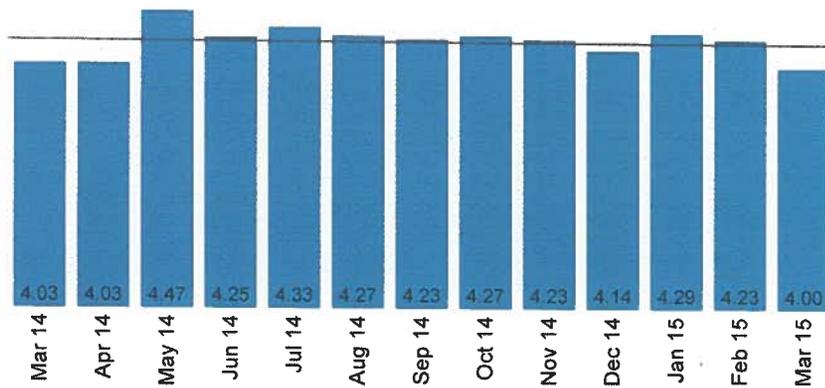
Overall Satisfaction



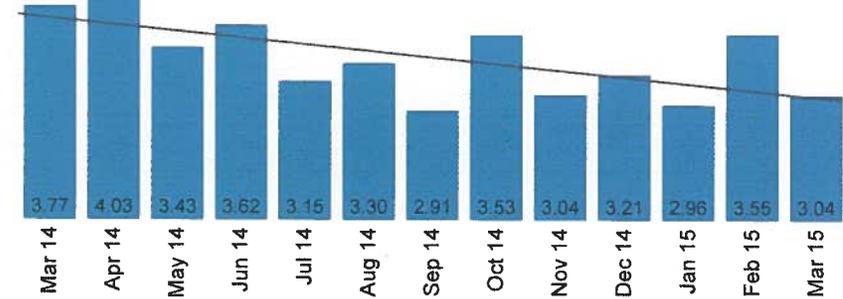
Dining Service



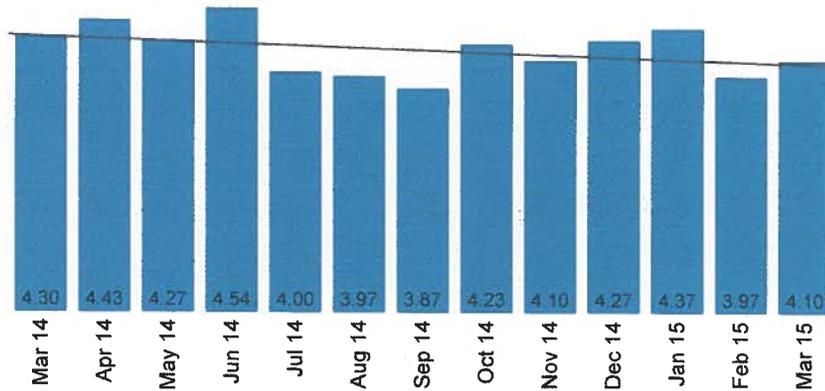
Nursing Care



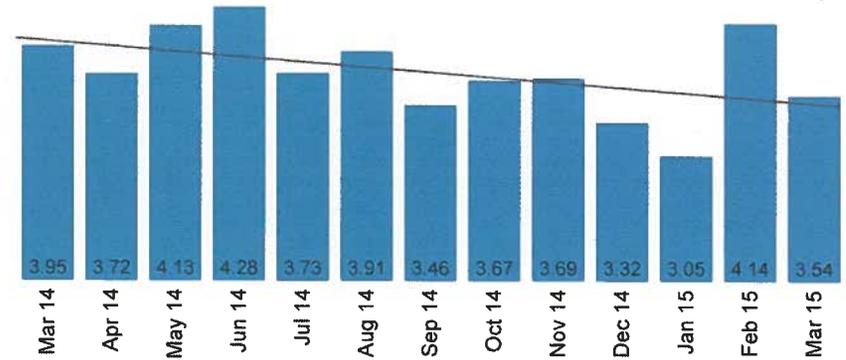
Quality of Food



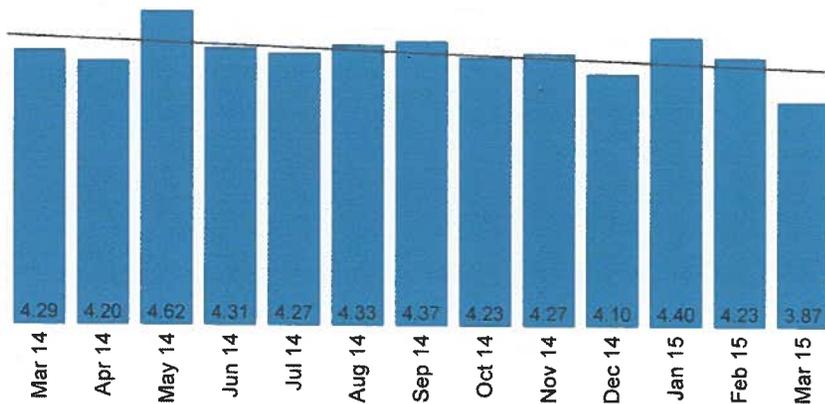
Cleanliness



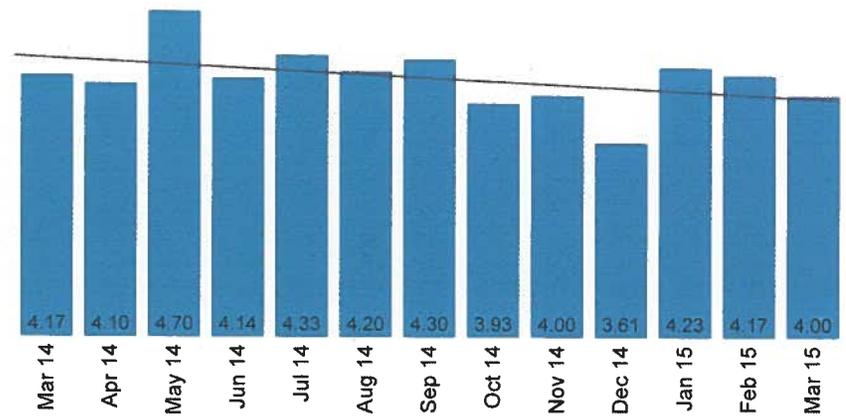
Laundry Service



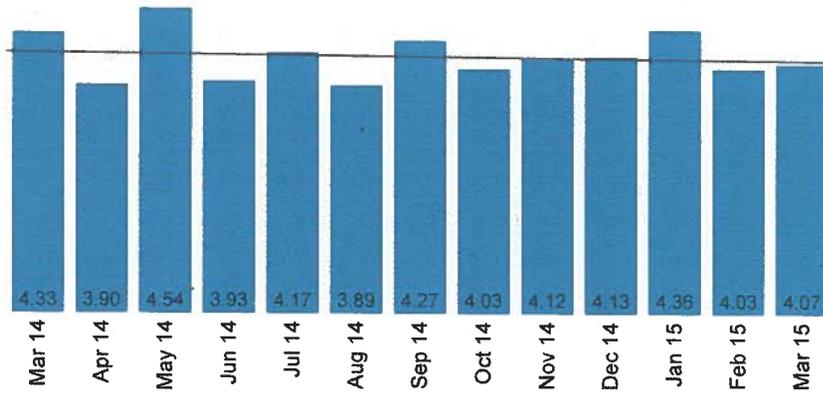
Individual Needs



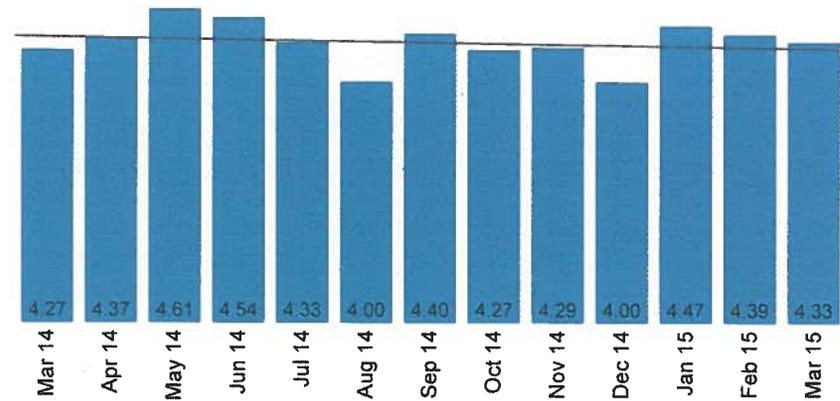
Communication



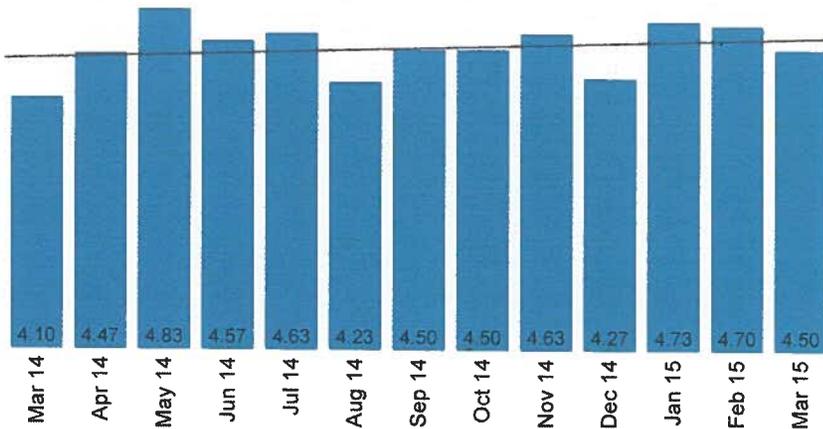
Response to Problems



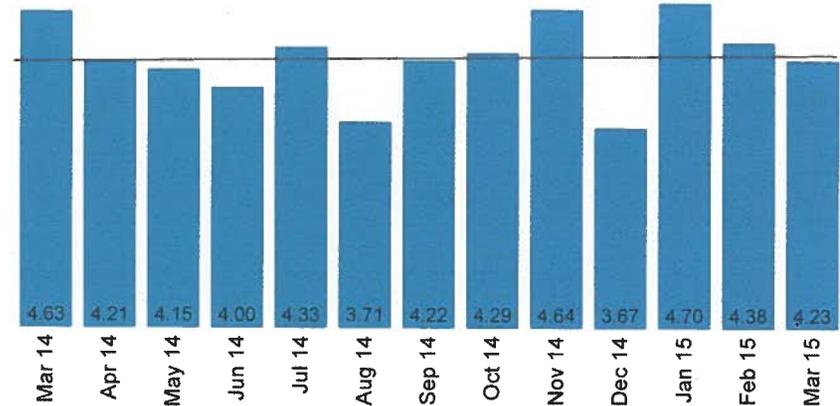
Recommend to Others



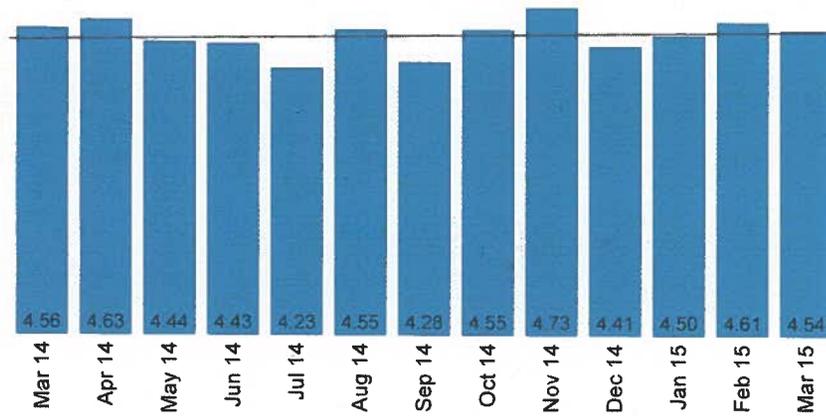
Dignity and Respect



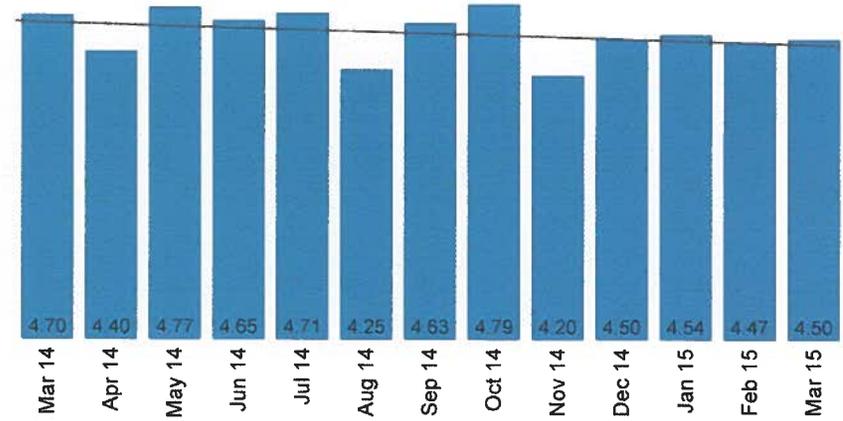
Activities



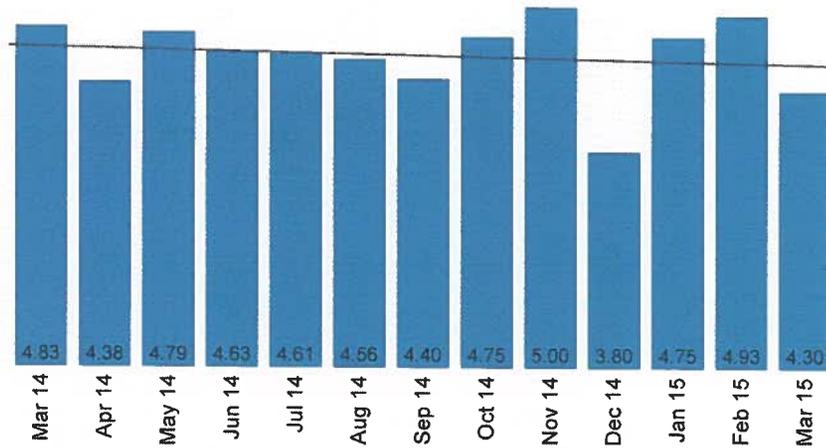
Professional Therapy



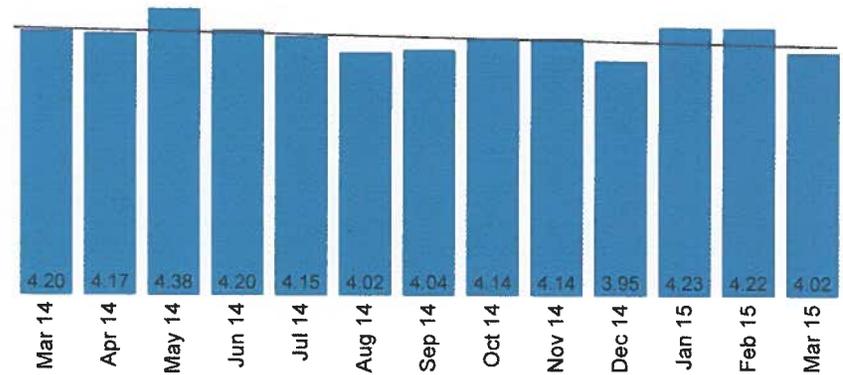
Safety and Security



Admission Process

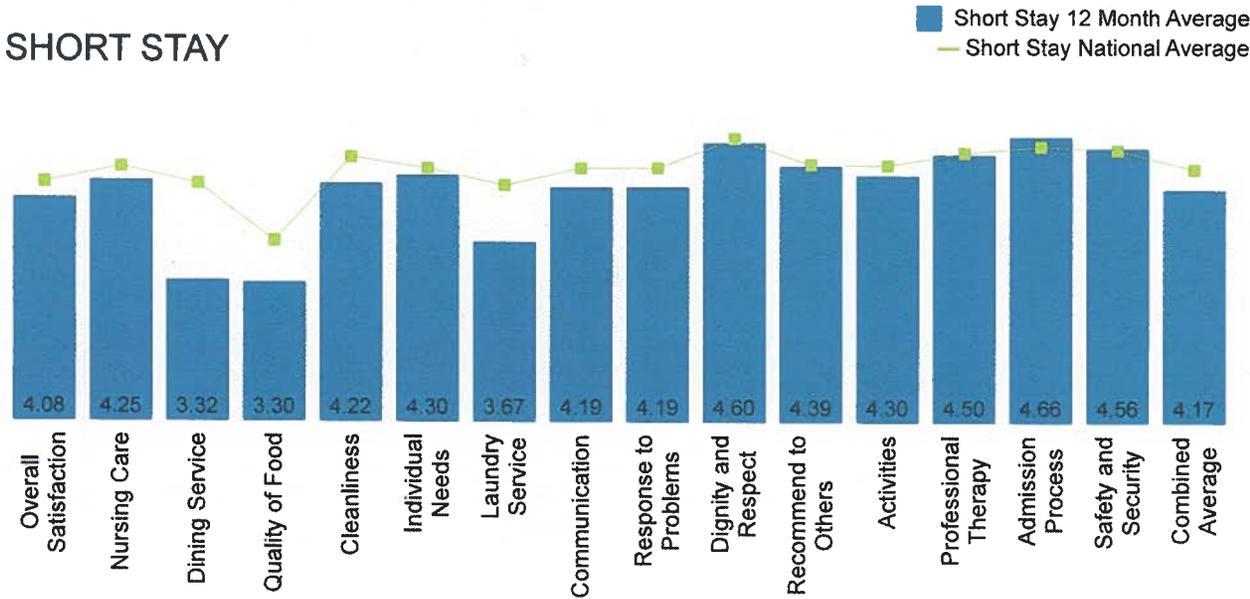


Combined Average



<http://pinnacleqi.com/reports/shortstay>

SHORT STAY



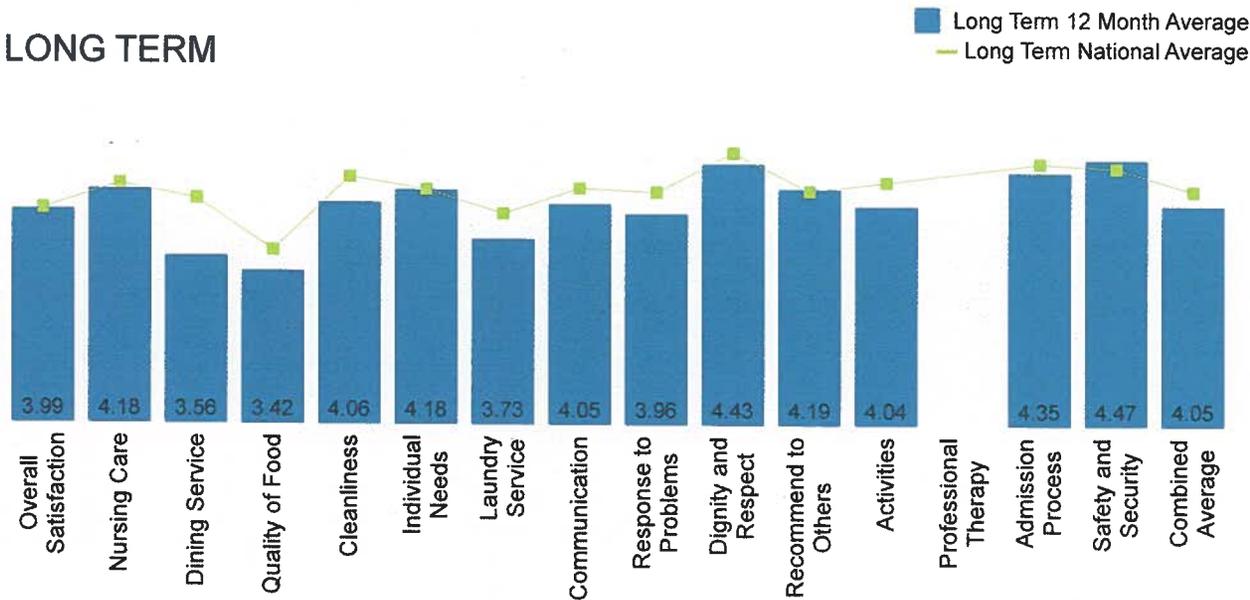
SHORT STAY SATISFACTION RATE

percentage that rated

85.2%

86.3% National Average

LONG TERM



LONG TERM SATISFACTION RATE

percentage that rated

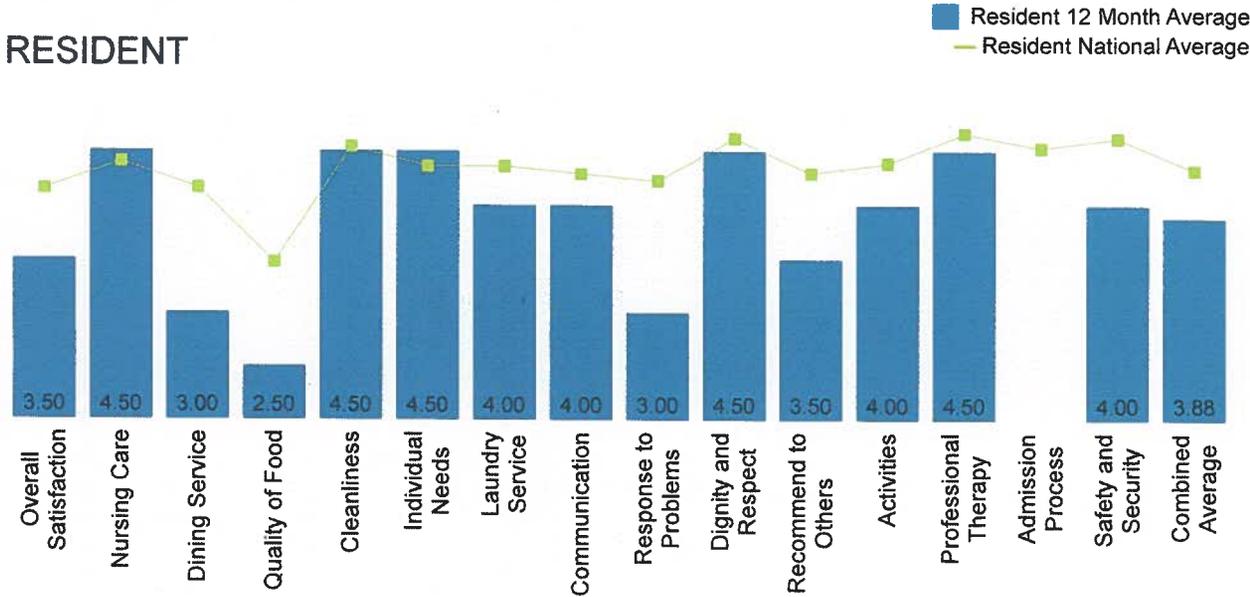
Recommend to Others as a 4 or 5.

83.3%

79.7% National Average

<http://pinnacleqi.com/reports/resident>

RESIDENT



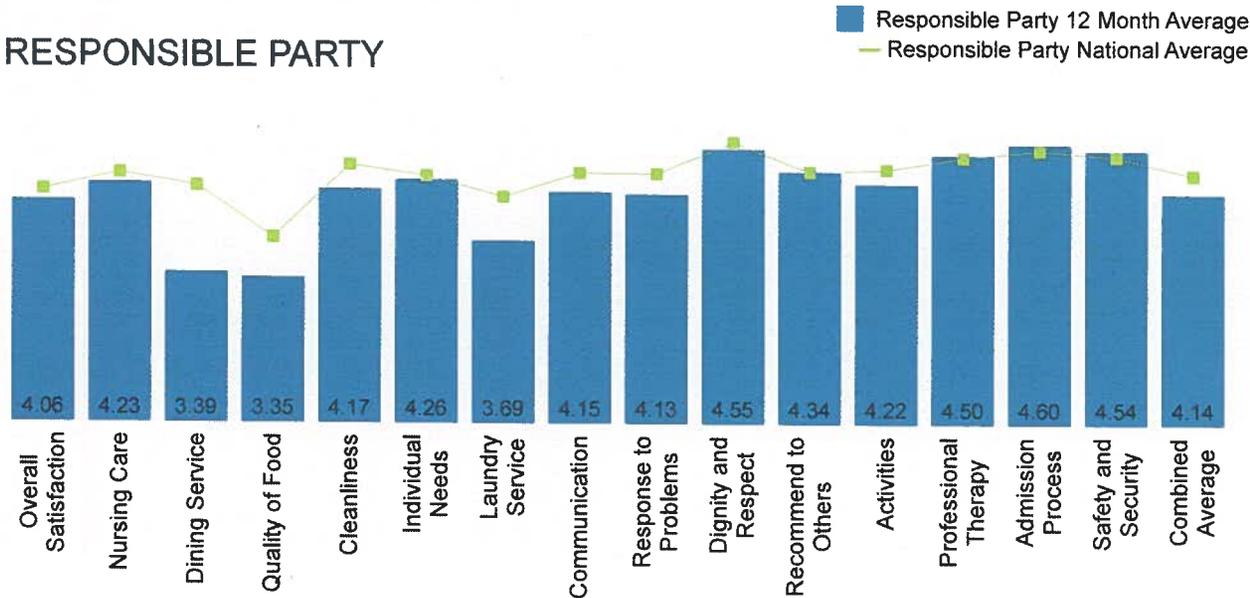
RESIDENT SATISFACTION RATE

percentage that rated
Recommend to Others as a 4 or 5.

50.0%

82.7% National Average

RESPONSIBLE PARTY



RESPONSIBLE PARTY SATISFACTION RATE

percentage that rated
Recommend to Others as a 4 or 5.

85.1%

84.5% National Average

**Champaign County Nursing Home
Strategic Objective Metrics – Issue 3
Updated April 30, 2015**

Medical Management Metric	Status
<i>Carle Clinic and Christie Clinic</i>	
Carle Clinic – maintain 3 physicians and 2 full-time nurse practitioners	Maintained
Christie Clinic – maintain current level of care (one physician and one nurse practitioner)	Maintained
Implement QA with NPs monthly Metric replaces “Implement daily rounds on the Medicare unit by 1/1/14.”	Schedule monthly meeting to enhance communication and problem solve and identify skills that could be enhanced.
<i>Expanded Specialized Services</i>	
Establish pulmonary clinic by July 1, 2015	No progress. Continuing to find a pulmonologist. Will discuss with new respiratory therapy provider, PEL-VIP
Current wound/pain caseload is 13 residents.	20 currently on caseload 9 wound/11 pain 2 resolved and taken off caseload in April. 41 residents have healed and have been taken of the caseload.
Establish outpatient rehab program by July 1, 2015.	HealthPro will assist with developing plans for space and assisting with licensure. Planning with HealthPRO will begin in May 2015.

**Champaign County Nursing Home
Strategic Objective Metrics – Issue 3
Updated April 30, 2015**

Non-Financial Metrics	Status																										
<i>Medicare 30-Day Readmission Rate</i>																											
<p>The national average rate is 19.8 percent. The 25th percentile is 14.8 percent The 75th percentile is 23.4 percent.</p> <p>Source: MedPac Report to Congress: Medicare Payment Policy, March 2013. (Data is from 2011).</p> <p>CCNH will have a current baseline readmission rate by January 1, 2014.</p>	<p>Interact Data</p> <table border="0"> <tr><td>April</td><td>11%</td></tr> <tr><td>May</td><td>25%</td></tr> <tr><td>June (5/16)</td><td>31%</td></tr> <tr><td>July (4/11)</td><td>36%</td></tr> <tr><td>Aug (3/15)</td><td>20%</td></tr> <tr><td>Sept (1/12)</td><td>8%</td></tr> <tr><td>Oct (6/15)</td><td>40%</td></tr> <tr><td>Nov (5/16)</td><td>31%</td></tr> <tr><td>Dec (6/18)</td><td>33%</td></tr> <tr><td>Jan(2/15)</td><td>36%</td></tr> <tr><td>Feb (1/12)</td><td>8%</td></tr> <tr><td>March (4/9) *</td><td>44%</td></tr> <tr><td>April (3/11)</td><td>27%</td></tr> </table>	April	11%	May	25%	June (5/16)	31%	July (4/11)	36%	Aug (3/15)	20%	Sept (1/12)	8%	Oct (6/15)	40%	Nov (5/16)	31%	Dec (6/18)	33%	Jan(2/15)	36%	Feb (1/12)	8%	March (4/9) *	44%	April (3/11)	27%
April	11%																										
May	25%																										
June (5/16)	31%																										
July (4/11)	36%																										
Aug (3/15)	20%																										
Sept (1/12)	8%																										
Oct (6/15)	40%																										
Nov (5/16)	31%																										
Dec (6/18)	33%																										
Jan(2/15)	36%																										
Feb (1/12)	8%																										
March (4/9) *	44%																										
April (3/11)	27%																										
<i>Pinnacle Survey Scores</i>																											
<p>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.</p>	<p># of measures that met or exceeded the national average.</p> <table border="0"> <tr><td>Mar</td><td>2 out of 16</td></tr> <tr><td>Feb 15</td><td>5 out of 16</td></tr> <tr><td>Jan 15</td><td>7 out of 16</td></tr> <tr><td>Dec 14</td><td>0 out of 16</td></tr> <tr><td>Nov</td><td>4 out of 16</td></tr> <tr><td>Oct</td><td>2 out of 16</td></tr> <tr><td>Sept</td><td>3 out of 16</td></tr> <tr><td>Aug</td><td>1 out of 16</td></tr> <tr><td>July</td><td>3 out of 16</td></tr> <tr><td>June</td><td>6 out of 16</td></tr> <tr><td>May</td><td>10 out of 16</td></tr> <tr><td>April</td><td>2 out of 16</td></tr> <tr><td>March</td><td>5 out of 16</td></tr> </table>	Mar	2 out of 16	Feb 15	5 out of 16	Jan 15	7 out of 16	Dec 14	0 out of 16	Nov	4 out of 16	Oct	2 out of 16	Sept	3 out of 16	Aug	1 out of 16	July	3 out of 16	June	6 out of 16	May	10 out of 16	April	2 out of 16	March	5 out of 16
Mar	2 out of 16																										
Feb 15	5 out of 16																										
Jan 15	7 out of 16																										
Dec 14	0 out of 16																										
Nov	4 out of 16																										
Oct	2 out of 16																										
Sept	3 out of 16																										
Aug	1 out of 16																										
July	3 out of 16																										
June	6 out of 16																										
May	10 out of 16																										
April	2 out of 16																										
March	5 out of 16																										

Non-Financial Metrics	Status
<i>CMS 5 Star Rating</i>	
Increase overall rating from one star to two star by the end of 2014	Two Star as of March 2015

Champaign County Nursing Home
 CMS Quality Measures - Issue 3
 Updated April 30, 2015

MDS3.0 Quality Measures for Provider 145364						
	Provider 145364					National Average
	Part of QM Rating?	Q2 2014	Q3 2014	Q4 2014	3-quarter average	3-quarter average
Long-Stay Residents						
<i>Note: For the following measures, higher percentages are better.</i>						
% of residents assessed and appropriately given the seasonal influenza vaccine	No	97.4%	84.9%	84.2%	88.8%	92.6%
% of residents assessed and appropriately given the pneumococcal vaccine	No	95.8%	97.3%	98.0%	97.0%	93.8%
<i>Note: for the following measures, lower percentages are better.</i>						
% of residents experiencing one or more falls with major injury	Yes	4.7%	6.5%	4.6%	5.2%	3.2%
% of residents who have moderate to severe pain ¹	Yes	3.8%	3.4%	2.7%	3.3%	7.4%
% of high-risk residents who have pressure sores	Yes	2.3%	2.5%	3.7%	2.9%	5.9%
% of residents who had a urinary tract infection	Yes	2.6%	3.2%	0.0%	1.9%	5.7%
% of low-risk residents who lose control of their bowels or bladder	No	48.6%	43.8%	51.4%	47.9%	45.0%
% of residents who have/had a catheter inserted and left in their bladder ¹	Yes	3.2%	5.5%	5.5%	4.8%	3.1%
% of residents who were physically restrained	Yes	0.0%	0.0%	0.0%	0.0%	1.1%
% of residents whose need for help with daily activities has increased	Yes	21.2%	18.8%	22.4%	20.8%	15.6%
% of residents who lose too much weight	No	7.4%	5.4%	11.8%	8.2%	7.0%
% of residents who are more depressed or anxious	No	9.9%	6.1%	4.9%	7.0%	6.0%
% of residents who received an antipsychotic medication	Yes	15.5%	16.5%	17.3%	16.4%	19.3%
Short-Stay Residents						
<i>Note: For the following measures, higher percentages are better.</i>						
% of residents assessed and appropriately given the seasonal influenza vaccine	No	94.3%	86.2%	88.8%	90.0%	82.8%
% of residents assessed and appropriately given the pneumococcal vaccine	No	88.7%	85.5%	87.0%	87.1%	81.9%
<i>Note: for the following measures, lower percentages are better.</i>						
% of residents who had moderate to severe pain	Yes	10.0%	6.5%	0.0%	6.2%	18.3%
% of residents with pressure ulcers that are new or worsened ¹	Yes	0.8%	0.8%	0.0%	0.6%	0.9%
% of residents who newly received an antipsychotic medication	Yes	0.0%	1.6%	1.8%	1.1%	2.4%

Detailed descriptions and specifications for all the QMs can be found here:
<https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/NursingHomeQuality/Infr/NHQIQualityMeasures.html>

¹These measures are risk adjusted.

NA means no data are available for this measure. Values are not displayed for the long-stay measures if there are fewer than 30 eligible resident assessments and are not displayed for the short-stay measures if there are fewer than 20 eligible resident assessments. A 3-quarter average measure will be shown if there are at least this number of eligible resident assessments summed across all three quarters.

Issue 4

Food Service Improvement

The Pinnacle score for dining service fell to 3.09 from 3.63 in January and 3.69 in February. The 12-month rolling average is 3.39, which falls below the national average of 4.19. This is the first monthly setback since September 2014.

The Pinnacle score for food quality jumped from 2.96 in January to 3.55 in February, but has fallen to 3.04 in March. The 12-month rolling average is 3.34, which falls below the national average of 3.67.

HCSG Dietician, Emily Siedel conducts an informal dining room satisfaction survey. This survey includes the following questions:

- Does your food taste good?
- Are you served foods you like to eat?
- Are your hot and cold food served the way you like?
- Do you get enough to eat?
- Do you get snacks and beverages when requested?
- Do you receive substitutes?
- Is a snack offered in the evening?

The monthly scoring from this survey is summarized below and shows a positive trend since the start of this survey in September 2014.

September 2014	58%
October 2014	62%
November 2014	76%
December 2014	77.5%
January 2015	69.8%
February	80%
March	80%
April	74%

Work continues on kitchen and dining room procedures and staff training. There are still a few employees that fail to fulfill their daily job duties. HCSG has been asked to develop a performance improvement plan (PIP) to address accurate traying and mealtime procedures assigned to staff to verify all necessary items are on each tray with a specific staff member. HCSG has also been asked to develop a PIP to address dining room customer service to work with staff that require improvement in these tasks. HCSG has expanded training within the department to cover issues that are being voiced by directly by residents/families and from the family council and/or food committee meetings. The Cooks will be doing satisfaction surveys in each dining room and will be attending food committee meeting to get feedback directly from residents. In specific response to breakfast egg complaints, HCSG has implemented the preparation of eggs immediately

prior to carts being loaded to ensure palatability of these products. HCSG is also improving the orientation processes with new employees.

Issue 5
Resident Services Programming

Please see therapy and pharmacy RFP memorandum.

To: Board of Directors
Champaign County Nursing Home

From: Scott T Gima
Manager

Date: May 6, 2015

Re: Management Update

HFS Loan Repayment

Back in June of 2014, Senate Bill 741 included \$50 million to provide temporary payments for Medicaid applications that have been open for an extended period of time. HFS “loaned” CCNH a lump sum temporary payment of \$438,000. The terms of the loan required repayment in three installments starting in April 2015.

Legislation has yet to be passed, but LeadingAge is stating that HFS has drafted language that will delay payment until June of 2016.

2015 State Budget – Medicaid Cuts

HFS has issued a memorandum to providers confirming the rate cuts for services provided in May and June of 2015 which confirms that CCNH will show a Medicaid revenue cut of \$31,175 based on current Medicaid census including pendings.

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

To: Board of Directors
Champaign County Nursing Home

From: Scott Gima
Manager

Date: May 6, 2015

Re: March 2015 Financial Management Report

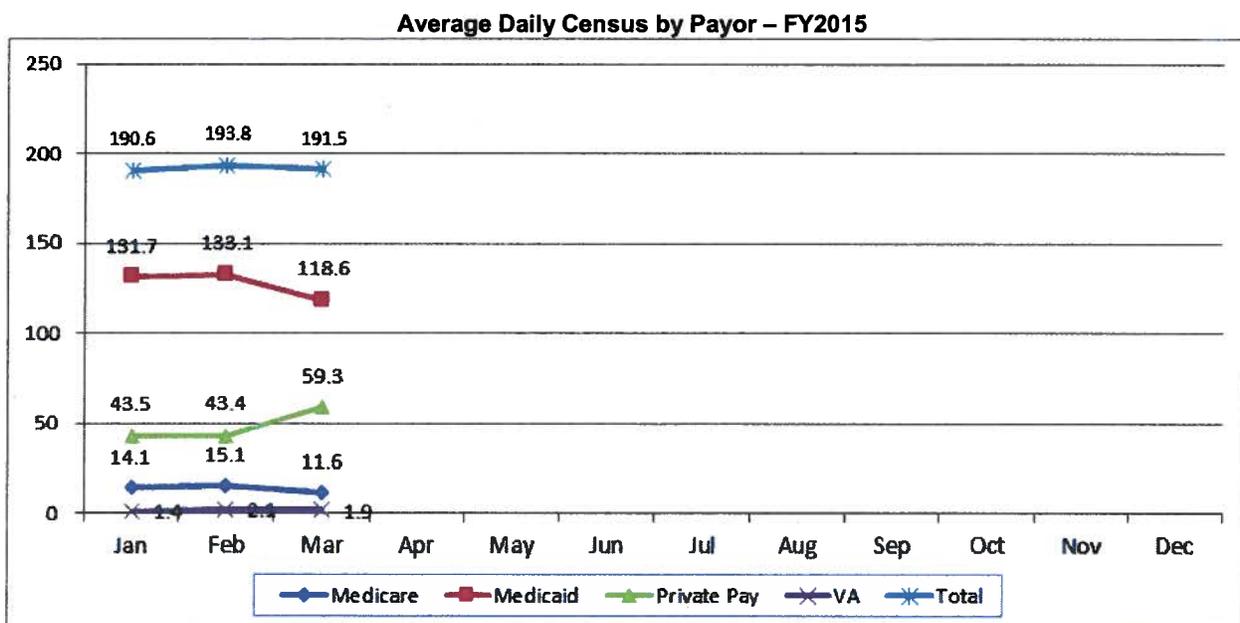
The March census was 191.5 with 11.6 Medicare. April's census shows a slight increase at 193.7 with Medicare steady at 11.6.

Net income in March was \$81,889. Cash flow from operations totaled \$140,959. Year-to-date net income is \$110,523 with cash from operations totaling \$288,689.

Statistics

Medicare fell to 11.6 in March and April's average will show no change at 11.6. Medicare does show some improvement in April. The Medicare census increased from 9 at the beginning of the month to 15 by month's end. The overall census also shows improvement from 192 at the beginning of the month to 197 by the end of the month.

The census increased from 190.6 in January to 193.8 in February. A positive trend, but a census in the 200's is the goal. Medicare was 15.1 in February, a slight increase from 14.1 in January.

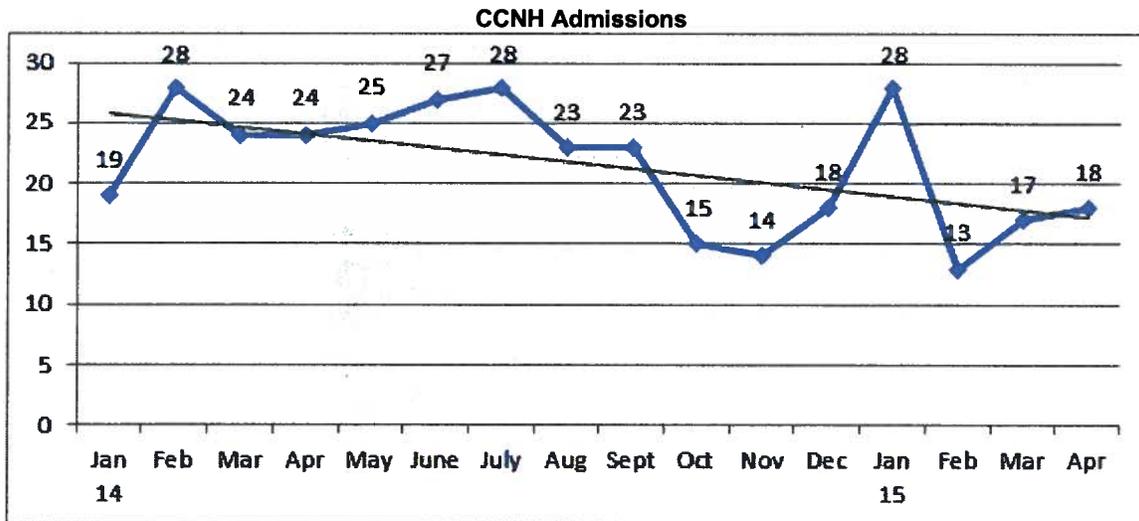


Referrals continue to run in the 40's. Admission in April totaled 18, slightly better than the preceding two months. Separations are down over the last two months.

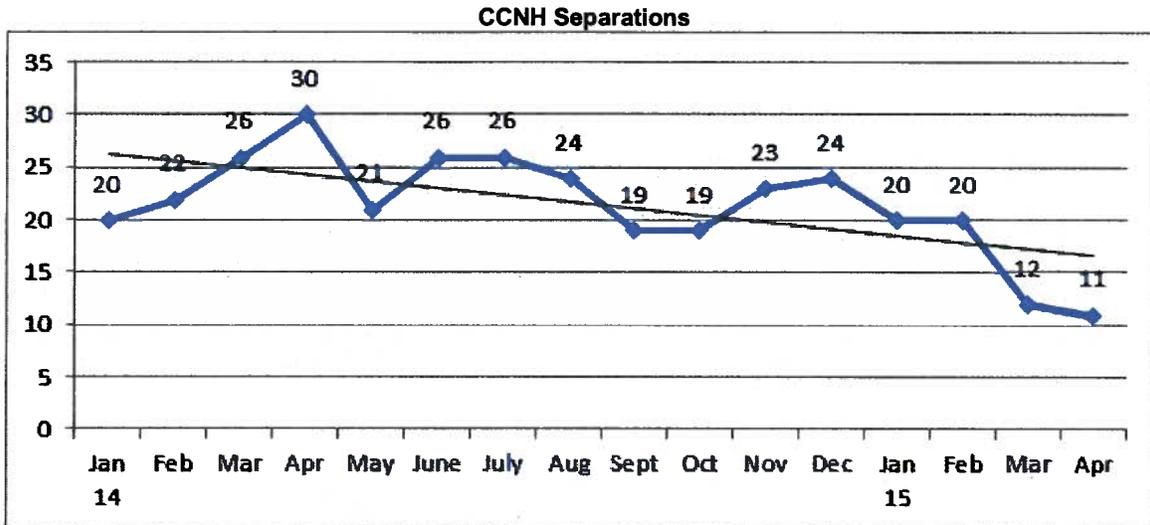
**Admissions and Discharges
February 2014 to April 2015**

	Medicare Admits	Non-Medicare Admits	Total Admits	Discharges	Expirations	Total Discharges/Expirations
Feb	16	12	28	16	6	22
Mar	10	14	24	18	8	26
Apr	18	6	24	19	11	30
May	13	12	25	17	4	21
June	12	15	27	16	10	26
July	16	12	28	21	5	27
Aug	10	13	23	18	6	24
Sept	14	9	23	16	3	19
Oct	12	3	15	13	6	19
Nov	7	7	14	13	10	23
Dec	10	8	18	16	8	24
Jan	11	17	28	11	9	20
Feb	7	6	13	14	6	20
Mar	10	7	17	8	4	12
Apr	8	10	18	9	2	11

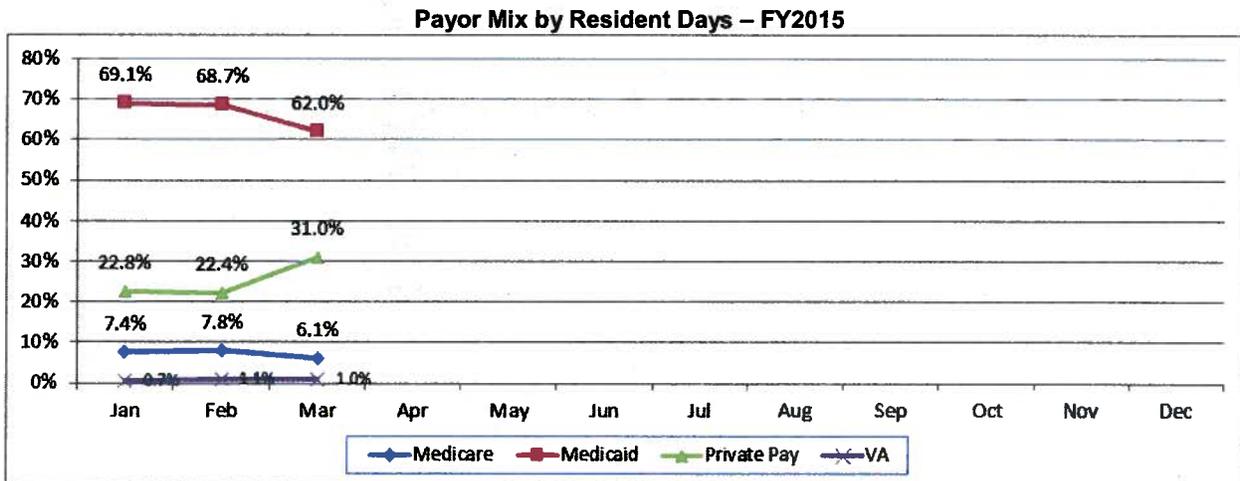
The chart below summarizes the monthly admissions. In FY2012, monthly admissions averaged 22.2 per month. FY2013 admissions averaged 25.5. The monthly average for 2014 was 22.9. The 2015 YTD average is 19.0.



The chart below summarizes separations. In FY2012, the average separations per month was 23.5. The monthly average for FY2013 was 28.1. For 2014, the monthly average was 23.4. The 2015 YTD average is 15.8.



The FY2013 payor mix was Medicare – 8.7%, Medicaid – 56.3% and Private pay 35.0%. FY2014 conversion days totaled as follows: December – 87, January – 970, February, 112, March – 437, April – 70, May – 160, June – 2,139, July – 578 and August – 367. The 2014 payor mix for the year was Medicare – 7.5%, Medicaid – 58.3%, Private pay – 32.8%, and VA – 1.3%. The March payor mix shows a jump in private pay due to a drop in Medicaid conversion days totaling 170, which is down from 773 in January and 591 in February.



Net Income/(Loss)/Cash from Operations

March's net income was \$81,889. Cash flow from operations was \$140,955. Year-to-date net income totals \$110,523 with YTD cash from operations totaling \$288,689.

Revenues

- Operating revenue increased from \$1.180 million in February to \$1.227 million in March. Revenue per day fell from \$217.48 to \$208.63. The YTD revenue per day is \$211.61.

Expenses

- Expenses increased slightly from \$1.226 million in February to \$1.238 million in March. Expenses per day fell from \$225.91 to \$208.63. The average cost per day in FY2014 was \$210.15 per day. YTD cost per day is \$221.35.
- Wages increased from \$466,010 to \$508,019 but wages per day dropped slightly from \$86.21 to \$85.60. The average for 2014 was \$83.38.
- Non-labor expenses fell from \$576,296 to \$558,687. Expenses per day decreased from \$106.19 to \$94.13. The 2014 average was \$97.61.

Cash Position

The cash balance remains unchanged. The month ending cash balances have been running at \$330,041 in January, \$328,874 in February and \$331,882 in March.

The backlog in Medicaid applications continues with little progress as noted by 170 Medicaid conversion days in March. Receivables total around \$1.5 million. This is the highest priority issue that CCNH is facing. Applications currently total in the mid-50s, which is up from 40 at the beginning of the year. The increase is due to admits who have been approved for Medicaid home or supportive living services – community Medicaid coverage. These applications total 22 since January 1, 2015.

These Medicaid recipients have approved Medicaid coverage but require additional review of assets and income in order to receive long-term care Medicaid benefits. A shorter income and asset form plus copies of banks statements are typically required. The review process is usually shorter compared to a new Medicaid application. But over the last 24 months, community case processing has been taking at least 6 months or more to process.

There are some indications of progress. In the last couple of weeks, eight applications (including 3 community applications) have been approved. The monthly Medicaid payment has been averaging around \$200k and is expected to be more than \$350k in May. In March, a community Medicaid application was recently approved within 34 days from submission. Yet, we still have community Medicaid applications from January that are still under review.

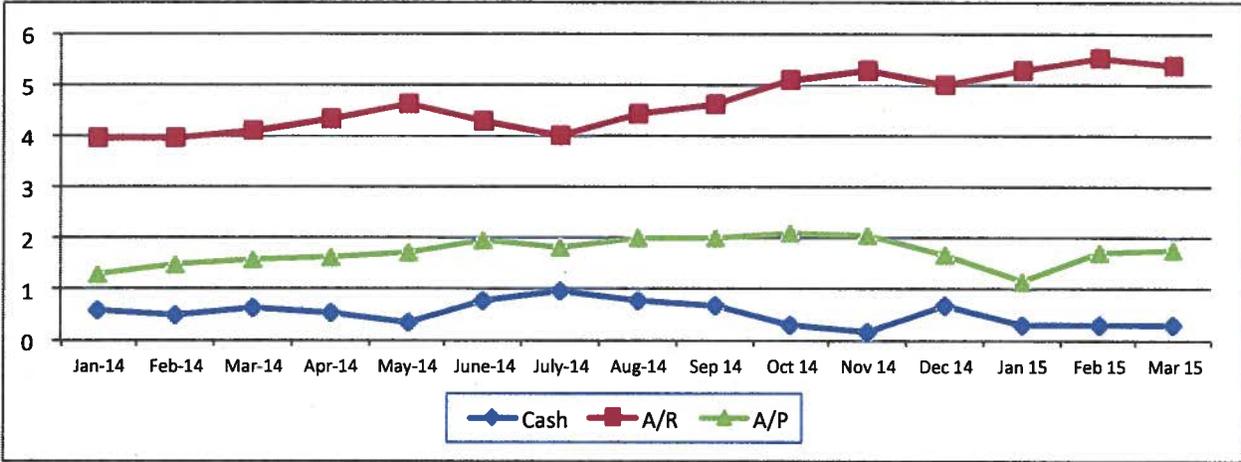
In March, I met with the Administrator of the Decatur Hub and a Regional DHS Manager. Both have been helpful and at that time, the list of open applications was provided and a caseworker provided status updates on the majority of the applications. However, additional follow-up requires resubmitting the list which may take 4 weeks or more for a response. The delay is simply due to the fact that there are many lists that are being submitted for review from other individual facilities and multi-facility corporations.

Dave Stricklin, the lobbyist that works on behalf of MPAs county homes to make inquiries at DHS. Dave and I had a conference call with the Legislative Deputy Director for DHS and I have been asked to provide an initial list of 10 cases, which have been submitted.

As mentioned last month, I have temporarily increased the business office from 3.5 to 4.0 FTEs but we have a setback with a vacancy in the biller position.

MMAI managed care payments is high priority issue number two. CCNH has received payment for a few claims since July of 2014, but the majority of claims have not been paid and the receivables for Health Alliance total almost \$600k and more than \$200k for Molina claims. Health Alliance has stated the lack of resident income information from HFS. I have been involving HFS to assist in resolving these issues with Health Alliance. The Molina payment delay issues may have been resolved but we are awaiting confirmation that the matter has been properly addressed and if so, requesting expedited payment.

**Cash, Accounts Receivable & Accounts Payable
As of March 2015**



Receivables fell from \$5.525 million in February to \$5.372 million in March but receivables are at an all time high. Accounts payable was up slightly from \$1.740 million to \$1.760 million between February and March.

**Champaign County Nursing Home
Actual vs Budget Statement of Operations**

03/31/15

1

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Operating Income						
Miscellaneous Revenue	4,577.24	2,293.00	2,284.24	11,217.30	6,879.00	4,338.30
Medicare A Revenue	181,282.98	240,451.00	(59,168.04)	650,247.87	721,353.00	(71,105.13)
Medicare B Revenue	22,318.09	35,000.00	(12,681.91)	50,670.22	105,000.00	(54,329.78)
Medicaid Revenue	581,764.77	496,448.00	85,316.77	1,793,871.57	1,489,344.00	304,527.57
Private Pay Revenue	435,932.65	494,118.00	(58,185.35)	1,085,545.30	1,482,354.00	(396,808.70)
Adult Day Care Revenue	20,817.54	17,335.00	3,482.54	63,394.39	52,005.00	11,389.39
Total Income	1,228,693.25	1,285,645.00	(58,951.75)	3,654,946.65	3,856,935.00	(201,988.35)
Operating Expenses						
Administration	245,222.22	261,152.00	15,929.78	749,813.76	783,456.00	33,642.24
Environmental Services	92,130.69	99,366.00	7,235.31	265,243.30	298,098.00	32,854.70
Laundry	13,121.64	18,054.00	4,932.36	54,816.91	54,162.00	(654.91)
Maintenance	23,351.91	24,981.00	1,629.09	81,484.88	74,943.00	(6,541.88)
Nursing Services	481,315.41	548,782.00	65,466.59	1,529,428.88	1,640,346.00	110,917.12
Activities	25,463.35	28,605.00	3,141.65	74,575.62	85,815.00	11,239.38
Social Services	17,825.63	22,525.00	4,699.37	55,546.60	67,575.00	12,028.40
Physical Therapy	38,426.95	38,511.00	84.05	124,892.76	115,533.00	(9,359.76)
Occupational Therapy	27,694.89	29,613.00	1,918.11	87,431.86	88,839.00	1,407.14
Speech Therapy	9,712.09	9,529.00	(183.09)	30,423.64	28,587.00	(1,836.64)
Respiratory Therapy	7,287.50	9,533.00	2,245.50	24,007.50	28,599.00	4,591.50
Total This Department	16,999.59	19,062.00	2,062.41	54,431.14	57,186.00	2,754.86
Food Services	123,669.46	141,480.00	17,810.54	353,389.98	424,440.00	71,050.02
Barber & Beauty	7,382.72	6,690.00	(692.72)	21,454.81	20,070.00	(1,384.81)
Adult Day Care	13,693.92	20,639.00	6,945.08	51,233.94	61,917.00	10,683.06
Alzheimers and Related Disorders	111,896.34	150,682.00	38,785.66	319,849.54	452,046.00	132,196.46
Total Expenses	1,238,194.72	1,408,142.00	169,947.28	3,823,593.98	4,224,426.00	400,832.02
Net Operating Income	(11,501.47)	(122,497.00)	110,995.53	(168,647.33)	(367,491.00)	198,843.67
NonOperating Income						
Local Taxes	92,507.83	95,208.00	(2,700.17)	277,523.49	285,624.00	(8,100.51)
Miscellaneous NI Revenue	882.59	317.00	565.59	1,646.54	951.00	695.54
Total NonOperating Income	93,390.42	95,525.00	(2,134.58)	279,170.03	286,575.00	(7,404.97)
Net Income (Loss)	81,888.95	(26,972.00)	108,860.95	110,522.70	(80,916.00)	191,438.70

03/31/15

Champaign County Nursing Home
Actual vs Budget Statement of Operations

1

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Operating Income						
Miscellaneous Revenue						
Lunch Reimbursement	171.00	334.00	(163.00)	480.00	1,002.00	(522.00)
Late Charge, NSF Check Charge	(35.25)	1,417.00	(1,452.25)	6,263.36	4,251.00	2,012.36
Other Miscellaneous Revenue	4,441.49	542.00	3,899.49	4,473.94	1,626.00	2,847.94
Total Miscellaneous Revenue	4,577.24	2,293.00	2,284.24	11,217.30	6,879.00	4,338.30
Medicare A Revenue						
Medicare A	48,763.25	152,815.00	(104,051.75)	266,219.72	458,445.00	(192,225.28)
ARD - Medicare A	13,081.67	24,804.00	(11,722.33)	13,992.42	74,412.00	(60,419.58)
NH Pt_Care - Medicare Advantage/ Hmo	111,079.09	55,624.00	55,455.09	357,070.39	166,872.00	190,198.39
ARD_Pt Care - Medicare Advantage/ HMO	8,358.95	7,208.00	1,150.95	12,965.34	21,624.00	(8,658.66)
Total Medicare A Revenue	181,282.96	240,451.00	(59,168.04)	650,247.87	721,353.00	(71,105.13)
Medicare B Revenue						
Medicare B	22,318.09	35,000.00	(12,681.91)	50,670.22	105,000.00	(54,329.78)
Total Medicare B Revenue	22,318.09	35,000.00	(12,681.91)	50,670.22	105,000.00	(54,329.78)
Medicaid Revenue						
Medicaid Title XIX (IDHFS)	378,206.32	336,362.00	41,854.32	1,260,561.30	1,009,066.00	251,505.30
ARD - Medicaid Title XIX (IDHFS)	147,910.69	124,575.00	23,335.69	403,593.86	373,726.00	29,868.86
Patient Care-Hospice	13,575.17	26,638.00	(13,062.83)	69,293.15	79,914.00	(10,620.85)
ARD Patient Care - Hospice	22,072.59	8,883.00	13,189.59	60,423.26	26,649.00	33,774.26
Total Medicaid Revenue	561,764.77	496,448.00	65,316.77	1,793,871.57	1,489,344.00	304,527.57
Private Pay Revenue						
VA-Veterans Nursing Home Care	13,780.00	25,742.00	(11,962.00)	38,285.00	77,226.00	(38,941.00)
ARD - VA - Veterans Care		2,068.00	(2,068.00)		6,204.00	(6,204.00)
Nursing Home Patient Care - Private Pay	348,707.03	322,858.00	25,849.03	766,148.90	968,574.00	(202,425.10)
Nursing Home Beauty Shop Revenue	3,242.10	3,275.00	(32.90)	9,832.30	9,825.00	7.30
Medical Supplies Revenue	5,154.83	7,318.00	(2,163.17)	14,420.41	21,954.00	(7,533.59)
Patient Transportation Charges	(151.37)	1,584.00	(1,735.37)	2,201.91	4,762.00	(2,560.09)
ARD Patient Care- Private Pay	65,200.06	131,273.00	(66,072.94)	254,656.78	393,819.00	(139,162.22)
Total Private Pay Revenue	435,932.65	494,118.00	(58,185.35)	1,085,545.30	1,482,354.00	(396,808.70)
Adult Day Care Revenue						
VA-Veterans Adult Daycare	11,203.30	6,084.00	6,119.30	29,591.50	15,252.00	14,339.50
IL Department Of Aging-Day Care Grant (Title XX)	8,024.24	9,417.00	(1,392.76)	27,226.88	28,251.00	(1,024.12)
Adult Day Care Charges-Private Pay	1,590.00	2,834.00	(1,244.00)	6,576.01	8,502.00	(1,925.99)
Total Adult Day Care Revenue	20,817.54	17,335.00	3,482.54	63,394.39	52,005.00	11,389.39
Total Income	1,226,693.25	1,285,645.00	(58,951.75)	3,654,946.65	3,856,935.00	(201,988.35)
Operating Expenses						
Administration						
Reg. Full-Time Employees	27,111.86	29,057.00	1,945.14	83,745.04	87,171.00	3,425.96
Temp. Salaries & Wages	1,158.25	1,213.00	54.75	3,443.67	3,639.00	195.33
Per Diem	225.00	212.00	(13.00)	765.00	636.00	(129.00)
Overtime	180.00	413.00	233.00	1,395.29	1,239.00	(156.29)
TOPS - Balances	(402.44)	623.00	1,025.44	1,902.99	1,869.00	(33.99)
Part-Time Employees	2,186.25		(2,186.25)	3,281.25		(3,281.25)
TOPS - FICA	(30.79)	47.00	77.79	145.57	141.00	(4.57)
Social Security - Employer	2,233.05	2,239.00	5.95	6,700.32	6,717.00	16.68
IMRF - Employer Cost	2,520.74	2,465.00	(55.74)	7,505.38	7,395.00	(110.38)
Workers' Compensation Insurance	911.94	923.00	11.06	2,402.09	2,769.00	366.91

Tuesday, April 28, 2015

5:37 PM

**Champaign County Nursing Home
Actual vs Budget Statement of Operations**

03/31/15

2

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Unemployment Insurance	1,141.58	1,133.00	(8.58)	4,656.92	3,399.00	(1,257.92)
Employee Health/Life Insurance	4,693.62	4,671.00	(22.62)	13,175.38	14,013.00	837.62
Employee Development/Recognition	379.80	29.00	(350.80)	433.98	87.00	(346.96)
Employee Physicals/Lab	2,500.00	2,625.00	125.00	5,691.00	7,875.00	2,184.00
Stationary & Printing	191.09	248.00	56.91	510.24	744.00	233.76
Books, Periodicals & Manuals		13.00	13.00	69.00	39.00	(30.00)
Copier Supplies	195.30	655.00	459.70	585.90	1,965.00	1,379.10
Postage, UPS, Federal Express		580.00	580.00	941.77	1,740.00	798.23
Equipment < \$2,500	(3.75)	24.00	27.75	69.96	72.00	2.04
Operational Supplies	860.38	803.00	(57.38)	2,353.50	2,409.00	55.50
Audit & Accounting Fees	4,054.83	4,666.00	611.17	12,164.49	13,998.00	1,833.51
Attorney Fees	2,905.00	5,000.00	2,095.00	16,894.50	15,000.00	(1,894.50)
Professional Services	38,711.29	36,757.00	(1,954.29)	113,801.06	110,271.00	(3,530.06)
Job Required Travel Expense	321.08	216.00	(105.08)	546.17	648.00	101.83
Insurance	22,457.59	24,325.00	1,867.41	67,372.77	72,975.00	5,602.23
Property Loss & Liability Claims		191.00	191.00	79.09	573.00	493.91
Computer Services	6,898.29	7,880.00	981.71	23,298.21	23,640.00	341.79
Telephone Services	1,889.06	1,500.00	(189.06)	4,403.70	4,500.00	96.30
Legal Notices, Advertising	2,724.68	3,747.00	1,022.32	9,774.65	11,241.00	1,466.35
Photocopy Services	999.68	1,311.00	311.32	3,499.04	3,933.00	433.96
Public Relations	20.12	50.00	29.88	120.66	150.00	29.34
Dues & Licenses	1,625.08	1,691.00	65.92	5,088.57	5,073.00	(15.57)
Conferences & Training	122.08	833.00	710.92	1,922.08	2,499.00	576.92
Finance Charges, Bank Fees		208.00	208.00	1,238.73	624.00	(614.73)
Cable/Satellite TV Expense	2,335.03	2,377.00	41.97	9,091.47	7,131.00	(1,960.47)
IPA Licensing Fee	45,862.50	45,565.00	(297.50)	134,456.00	136,695.00	2,239.00
Fines & Penalties		2,500.00	2,500.00		7,500.00	7,500.00
General Liability Claims		2,500.00	2,500.00		7,500.00	7,500.00
Depreciation Expense	59,089.85	61,057.00	1,987.15	178,165.82	183,171.00	5,005.18
Interest-Tax Anticipation Notes Payable		583.00	583.00		1,749.00	1,749.00
Interest- Bonds Payable	9,374.17	10,222.00	847.83	28,122.51	30,666.00	2,543.49
Total Administration	245,222.21	261,152.00	15,929.79	749,813.75	783,456.00	33,642.25
Environmental Services						
Reg. Full-Time Employees	32,476.37	36,317.00	3,840.63	84,930.64	108,951.00	24,020.36
Reg. Part-Time Employees	814.23		(814.23)	2,381.38		(2,381.38)
Overtime		500.00	500.00	2,622.67	1,500.00	(1,122.67)
TOPS - Balances	(3,289.88)	500.00	3,789.88	(1,669.74)	1,500.00	3,169.74
TOPS- FICA	(251.68)	83.00	334.68	(127.74)	249.00	376.74
Social Security - Employer	2,489.07	2,887.00	197.93	6,718.85	8,061.00	1,342.15
IMRF - Employer Cost	2,947.92	3,337.00	389.08	7,907.62	10,011.00	2,103.38
Workers' Compensation Insurance	995.41	1,100.00	104.59	2,339.72	3,300.00	960.28
Unemployment Insurance	1,720.47	1,639.00	(81.47)	5,274.46	4,917.00	(357.46)
Employee Health/Life Insurance	7,981.64	8,387.00	405.36	23,621.52	25,161.00	1,539.48
Operational Supplies	2,657.07	4,819.00	1,961.93	12,061.91	13,857.00	1,795.09
Gas Service	15,559.71	17,389.00	1,829.29	42,508.06	52,167.00	9,658.94
Electric Service	20,231.61	14,535.00	(5,696.61)	52,544.47	43,605.00	(8,939.47)
Water Service	2,522.55	2,390.00	(132.55)	7,347.40	7,170.00	(177.40)
Pest Control Service	496.46	486.00	(10.46)	1,614.38	1,458.00	(156.38)
Waste Disposal & Recycling	3,043.30	3,634.00	590.70	9,650.39	10,902.00	1,251.61
Equipment Rentals	258.00	240.00	(18.00)	1,041.40	720.00	(321.40)
Conferences & Training		8.00	8.00		24.00	24.00
Sewer Service & Tax	1,478.44	1,515.00	38.56	4,475.91	4,545.00	69.09
Total Environmental Services	92,130.69	99,366.00	7,235.31	265,243.30	298,098.00	32,854.70

Laundry

Tuesday, April 28, 2015

5:37 PM

03/31/15

Champaign County Nursing Home
Actual vs Budget Statement of Operations

3

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Reg. Full-Time Employees	7,204.06	9,586.00	2,381.94	21,004.80	28,758.00	7,753.20
Overtime	32.22	456.00	423.78	726.27	1,368.00	641.73
TOPS Balances	(465.67)	460.00	925.67	(111.18)	1,380.00	1,491.18
TOPS - FICA	(35.62)	35.00	70.62	(8.51)	105.00	113.51
Social Security - Employer	519.20	746.00	226.80	1,577.80	2,238.00	660.20
IMRF - Employer Cost	614.98	881.00	266.02	1,856.23	2,643.00	786.77
Workers' Compensation Insurance	215.34	300.00	84.66	571.76	900.00	328.24
Unemployment Insurance	374.69	445.00	70.31	1,231.99	1,335.00	103.01
Employee Health/Life Insurance	2,001.32	1,822.00	(179.32)	6,548.10	5,466.00	(1,082.10)
Laundry Supplies	638.12	1,585.00	946.88	4,904.55	4,755.00	(149.55)
Linen & Bedding	1,525.75	1,238.00	(287.75)	15,423.49	3,714.00	(11,709.49)
Professional Services	497.25		(497.25)	1,091.61		(1,091.61)
Laundry & Cleaning Service		500.00	500.00		1,500.00	1,500.00
Total Laundry	13,121.64	18,054.00	4,932.36	54,816.91	54,162.00	(654.91)
Maintenance						
Reg. Full-Time Employees	5,841.25	6,847.00	1,005.75	16,597.69	20,541.00	3,943.31
Overtime	126.36	205.00	78.64	450.90	615.00	184.10
TOPS - Balances	468.92	250.00	(218.92)	980.85	750.00	(230.85)
TOPS - FICA	35.87	19.00	(16.87)	75.04	57.00	(18.04)
Social Security - Employer	415.67	504.00	88.33	1,215.57	1,512.00	296.43
IMRF - Employer Cost	492.95	595.00	102.05	1,430.86	1,785.00	354.14
Workers' Compensation Insurance	174.67	210.00	35.33	452.96	630.00	177.04
Unemployment Insurance	310.07	342.00	31.93	961.73	1,026.00	64.27
Employee Health/Life Insurance	1,981.72	1,818.00	(163.72)	3,958.28	5,454.00	1,495.72
Gasoline & Oil		278.00	278.00		834.00	834.00
Tools	399.95		(399.95)	574.10		(574.10)
Ground Supplies	353.25	60.00	(293.25)	888.25	180.00	(708.25)
Maintenance Supplies	533.30	2,218.00	1,684.70	8,809.72	6,654.00	(2,155.72)
Equipment < \$2,500		166.00	166.00		498.00	498.00
Operational Supplies		8.00	8.00		24.00	24.00
Professional Services		70.00	70.00	430.75	210.00	(220.75)
Automobile Maintenance	1,576.15	935.00	(641.15)	2,305.77	2,805.00	499.23
Equipment Maintenance	2,630.21	2,307.00	(323.21)	9,706.32	6,921.00	(2,785.32)
Equipment Rentals	5.00	59.00	54.00	5.00	177.00	172.00
Nursing Home Building Repair/Maintenance	8,008.57	6,487.00	(1,519.57)	26,750.89	19,461.00	(7,289.89)
Parking Lot/Sidewalk Maintenance		1,603.00	1,603.00	5,324.00	4,808.00	(515.00)
Furnishings, Office Equipment				566.20		(566.20)
Total Maintenance	23,351.91	24,981.00	1,629.09	81,484.88	74,943.00	(6,541.88)
Nursing Services						
Reg. Full-Time Employees	142,594.85	145,661.00	3,066.15	413,830.91	436,983.00	23,152.09
Reg. Part-Time Employees	4,467.03	5,512.00	1,044.97	14,446.74	16,536.00	2,089.26
Temp. Salaries & Wages	14,648.85	15,374.00	725.15	33,577.26	46,122.00	12,544.74
Overtime	18,254.37	45,833.00	27,578.63	93,750.56	137,499.00	43,748.44
TOPS - Balances	4,937.23	1,250.00	(3,687.23)	(5,075.07)	3,750.00	8,825.07
No Benefit Full-Time Employees	37,174.44	67,278.00	30,103.56	141,027.66	201,834.00	60,806.34
No Benefit Part-Time Employees	31,683.23	31,672.00	(11.23)	114,725.66	95,016.00	(19,709.66)
TOPS - FICA	377.70	231.00	(146.70)	(388.24)	693.00	1,081.24
Social Security - Employer	18,727.96	23,324.00	4,596.04	61,052.18	69,972.00	8,919.82
IMRF - Employer Cost	20,903.76	26,796.00	5,892.24	68,830.36	80,388.00	11,557.64
Workers' Compensation Insurance	6,894.20	9,308.00	2,413.80	19,089.06	27,924.00	8,834.94
Unemployment Insurance	12,296.14	12,037.00	(259.14)	44,686.41	36,111.00	(8,575.41)
Employee Health/Life Insurance	24,112.60	25,806.00	1,693.40	71,248.18	77,418.00	6,169.82
Books, Periodicals & Manuals		83.00	83.00	749.35	249.00	(500.35)
Stocked Drugs	1,599.56	1,984.00	364.44	4,617.19	5,892.00	1,274.81

Tuesday, April 28, 2015

5:37 PM

03/31/15

**Champaign County Nursing Home
Actual vs Budget Statement of Operations**

4

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Pharmacy Charges-Public Aid	1,913.79	1,759.00	(154.79)	5,978.84	5,277.00	(701.84)
Oxygen	5,857.74	3,635.00	(2,222.74)	11,395.09	10,905.00	(490.09)
Incontinence Supplies	6,975.58	9,703.00	2,727.42	26,425.86	29,109.00	2,683.14
Pharmacy Charges - Insurance	8,785.72	8,342.00	(443.72)	29,055.42	25,026.00	(4,029.42)
Equipment < \$2,500	443.38	1,704.00	1,260.64	6,458.72	5,112.00	(1,346.72)
Operational Supplies	13,250.40	15,430.00	2,179.60	46,268.57	46,290.00	21.43
Pharmacy Charges-Medicare	4,443.14	9,998.00	5,554.86	20,796.70	29,994.00	9,197.30
Medical/Dental/Mental Health	4,600.00	3,434.00	(1,166.00)	11,400.00	10,302.00	(1,098.00)
Professional Services	23,510.87	31,666.00	8,155.13	61,747.70	94,998.00	33,250.30
Job Require Travel		39.00	39.00		117.00	117.00
Laboratory Fees	2,303.25	2,776.00	472.75	7,332.58	8,328.00	995.42
Equipment Rentals	3,421.20	1,000.00	(2,421.20)	6,596.44	3,000.00	(3,596.44)
Dues & Licenses		30.00	30.00	50.00	90.00	40.00
Conferences & Training	2,212.95	257.00	(1,955.95)	4,187.95	771.00	(3,416.95)
Contract Nursing Services	62,063.44	41,666.00	(20,397.44)	211,604.75	124,998.00	(86,606.75)
Medicare Medical Services	2,862.05	3,214.00	351.95	3,962.05	9,642.00	5,679.95
Total Nursing Services	481,315.41	546,782.00	65,466.59	1,529,428.88	1,640,346.00	110,917.12
Activities						
Reg. Full-Time Employees	14,790.90	20,266.00	5,475.10	43,034.34	60,798.00	17,763.66
Overtime	643.55	72.00	(571.55)	967.75	216.00	(751.75)
TOPS - Balances	129.80		(129.80)	1,605.73		(1,605.73)
Part Time Non Benefit	753.11		(753.11)	2,116.71		(2,116.71)
TOPS - FICA	9.92		(9.92)	122.83		(122.83)
Social Security - Employer	1,194.88	1,461.00	266.12	3,391.54	4,383.00	991.46
IMRF - Employer Cost	1,414.93	1,725.00	310.07	3,990.58	5,175.00	1,184.42
Workers' Compensation Insurance	464.85	608.00	143.15	1,197.18	1,824.00	626.82
Unemployment Insurance	877.50	926.00	48.50	2,620.02	2,778.00	157.98
Employee Health/Life Insurance	4,636.60	2,826.00	(1,810.60)	13,709.60	8,478.00	(5,231.60)
Operational Supplies	547.31	544.00	(3.31)	1,559.94	1,832.00	72.08
Professional Services		134.00	134.00	259.40	402.00	142.60
Conferences & Training		43.00	43.00		129.00	129.00
Total Activities	25,463.35	28,605.00	3,141.65	74,575.62	85,815.00	11,239.38
Social Services						
Reg. Full-Time Employees	11,312.66	15,369.00	4,056.34	35,159.37	46,107.00	10,947.63
Overtime	53.33	294.00	240.67	618.36	882.00	263.64
TOPS - Balances	994.67	150.00	(844.67)	2,802.75	450.00	(2,352.75)
TOPS - FICA	76.09	11.00	(65.09)	214.41	33.00	(181.41)
Social Security - Employer	850.02	1,506.00	655.98	2,682.18	4,518.00	1,835.82
IMRF - Employer Cost	1,007.78	1,384.00	376.22	3,158.10	4,152.00	995.90
Workers' Compensation Insurance	338.28	468.00	129.72	914.52	1,404.00	489.48
Unemployment Insurance	584.98	661.00	76.02	2,031.75	1,983.00	(48.75)
Employee Health/Life Insurance	2,607.82	2,349.00	(258.82)	7,707.76	7,047.00	(660.76)
Professional Services		333.00	333.00	259.40	999.00	739.60
Total Social Services	17,825.63	22,525.00	4,699.37	55,546.60	67,575.00	12,028.40
Physical Therapy						
Reg. Full-Time Employees	4,526.72	4,506.00	(20.72)	13,162.88	13,518.00	355.12
Overtime		135.00	135.00	13.96	405.00	391.04
TOPS - Balances	156.90	81.00	(75.90)	1,045.72	243.00	(802.72)
TOPS - FICA	12.00	8.00	(8.00)	79.99	18.00	(61.99)
Social Security - Employer	332.97	342.00	9.03	970.48	1,026.00	55.52
IMRF - Employer Cost	394.77	404.00	9.23	1,142.26	1,212.00	69.74
Workers' Compensation Ins.	135.35	138.00	2.65	345.31	414.00	68.69
Unemployment Insurance	235.58	206.00	(29.58)	766.26	618.00	(148.26)

Tuesday, April 28, 2015

5:37 PM

**Champaign County Nursing Home
Actual vs Budget Statement of Operations**

03/31/15

5

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Employee Health/Life Insurance	1,327.68	1,232.00	(95.68)	3,925.64	3,696.00	(229.64)
Operational Supplies	9.92		(9.92)	9.92		(9.92)
Professional Services	31,295.06	31,461.00	165.94	103,430.14	94,383.00	(9,047.14)
Total Physical Therapy	38,426.95	38,511.00	84.05	124,892.76	115,533.00	(9,359.76)
Occupational Therapy						
Reg. Full-Time Employees	2,252.80	2,469.00	216.20	6,553.60	7,407.00	853.40
TOPS - Balances	200.84	(36.00)	(236.84)	535.30	(108.00)	(643.30)
TOPS - FICA	15.36	(3.00)	(18.36)	40.95	(9.00)	(49.95)
Social Security - Employer	170.37	187.00	18.83	495.80	561.00	65.20
IMRF - Employer Cost	201.99	221.00	19.01	583.56	663.00	79.44
Workers' Compensation Ins.	67.36	73.00	5.64	171.94	219.00	47.06
Unemployment Insurance	119.04	111.00	(8.04)	387.00	333.00	(54.00)
Employee Health/Life Insurance	683.84	616.00	(47.84)	1,962.92	1,848.00	(114.92)
Professional Services	24,003.29	25,975.00	1,971.71	76,700.79	77,925.00	1,224.21
Total Occupational Therapy	27,694.89	29,613.00	1,918.11	87,431.86	88,839.00	1,407.14
Speech Therapy						
Professional Services	9,712.09	9,529.00	(183.09)	30,423.64	28,587.00	(1,836.64)
Total Speech Therapy	9,712.09	9,529.00	(183.09)	30,423.64	28,587.00	(1,836.64)
Respiratory Therapy						
Professional Services	7,287.50	9,533.00	2,245.50	24,007.50	28,599.00	4,591.50
Total Respiratory Therapy	7,287.50	9,533.00	2,245.50	24,007.50	28,599.00	4,591.50
Total This Department	16,999.59	19,062.00	2,062.41	54,431.14	57,186.00	2,754.86
Food Services						
Reg. Full-Time Employees	26,747.98	52,950.00	26,202.02	78,291.61	158,850.00	80,558.39
Reg. Part-Time Employees	2,262.53	1,512.00	(750.53)	9,791.66	4,536.00	(5,255.66)
Overtime	2,902.12	1,655.00	(1,247.12)	11,661.16	4,965.00	(6,696.16)
TOPS - Balances	2,409.15		(2,409.15)	2,851.37		(2,851.37)
TOPS - FICA	184.30		(184.30)	218.13		(218.13)
Social Security - Employer	2,396.97	4,234.00	1,837.03	7,509.92	12,702.00	5,192.08
IMRF - Employer Cost	2,841.03	4,994.00	2,152.97	8,825.40	14,982.00	6,156.60
Workers' Compensation Insurance	887.39	1,677.00	809.81	2,354.38	5,031.00	2,676.62
Unemployment Insurance	1,627.03	2,705.00	1,077.97	5,444.73	8,115.00	2,670.27
Employee Health/Life Insurance	7,983.38	7,579.00	(404.38)	24,841.28	22,737.00	(2,104.28)
Food				(67.59)		67.59
Nutritional Supplements	9,205.61	3,219.00	(5,986.61)	19,707.81	9,657.00	(10,050.81)
Equipment < \$2,500				133.73		(133.73)
Operational Supplies	953.08		(953.08)	940.91		(940.91)
Professional Services	2,632.93	60,955.00	58,322.07	2,632.93	182,865.00	180,232.07
Equipment Rentals	404.95		(404.95)	1,214.85		(1,214.85)
Dues & Licenses	85.00		(85.00)	85.00		(85.00)
Conferences & Training	45.00		(45.00)	90.00		(90.00)
Food Service	60,121.01		(60,121.01)	176,862.70		(176,862.70)
Total Food Services	123,869.48	141,480.00	17,610.54	353,389.98	424,440.00	71,050.02
Barber & Beauty						
Reg. Full-Time Employees	4,546.08	4,478.00	(68.08)	13,224.97	13,434.00	209.03
TOPS - Balances	275.78		(275.78)	864.72		(864.72)
TOPS - FICA	21.10		(21.10)	68.15		(68.15)
Social Security - Employer	298.48	306.00	7.52	872.78	918.00	45.22
IMRF - Employer Cost	353.86	361.00	7.14	1,027.21	1,083.00	55.79
Workers' Compensation Insurance	135.95	133.00	(2.95)	347.00	399.00	52.00
Unemployment Insurance	236.88	199.00	(37.88)	770.06	597.00	(173.06)

Tuesday, April 28, 2015

5:37 PM

03/31/15

Champaign County Nursing Home
Actual vs Budget Statement of Operations

6

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Employee Health/Life Insurance	1,327.68	1,121.00	(206.68)	3,925.84	3,363.00	(562.84)
Operational Supplies	188.91	92.00	(94.91)	356.08	276.00	(80.08)
Total Barber & Beauty	7,382.72	6,680.00	(692.72)	21,454.81	20,070.00	(1,384.81)
Adult Day Care						
Reg. Full-Time Employees	9,833.83	12,806.00	2,972.17	31,874.81	38,418.00	6,543.39
Overtime	104.08	110.00	5.92	688.49	330.00	(358.49)
TOPS - Balances	(851.73)		851.73	372.02		(372.02)
TOPS - FICA	(65.16)		65.16	28.46		(28.46)
Social Security - Employer	737.47	970.00	232.53	2,424.10	2,910.00	485.90
IMRF - Employer Cost	873.37	1,104.00	230.63	2,851.01	3,312.00	460.99
Workers' Compensation Insurance	294.00	386.00	92.00	828.61	1,158.00	329.39
Unemployment Insurance	520.98	588.00	67.02	1,880.79	1,764.00	(116.79)
Employee Health/Life Insurance	2,076.08	3,469.00	1,392.92	7,212.12	10,407.00	3,194.88
Books, Periodicals & Manuals		15.00	15.00		45.00	45.00
Gasoline & Oil		949.00	949.00	1,968.03	2,847.00	878.97
Equipment < \$2,500				420.02		(420.02)
Operational Supplies	171.00	172.00	1.00	328.68	516.00	189.32
Field Trips/Activities		30.00	30.00		90.00	90.00
Dues & Licenses		20.00	20.00	359.00	60.00	(299.00)
Conferences & Training		20.00	20.00		60.00	60.00
Total Adult Day Care	13,693.92	20,639.00	6,945.08	51,233.94	61,917.00	10,683.06
Alzheimers and Related Disord						
Reg. Full-Time Employees	36,710.19	30,203.00	(6,507.19)	94,318.24	90,609.00	(3,709.24)
Reg. Part-Time Employees	1,453.00		(1,453.00)	1,453.00		(1,453.00)
Temp. Salaries & Wages	2,318.44		(2,318.44)	2,318.44		(2,318.44)
Overtime	9,083.26	15,953.00	6,869.74	35,125.15	47,859.00	12,733.85
TOPS - Balances	(16,384.25)	333.00	16,717.25	(15,039.00)	999.00	16,038.00
No Benefit Full-Time Employees	21,095.53	35,160.00	14,064.47	60,445.92	105,480.00	45,034.08
No Benefit Part-Time Employees	30,449.94	25,606.00	(4,843.94)	65,890.97	76,818.00	10,927.03
TOPS - FICA	(1,253.39)	25.00	1,278.39	(1,150.48)	75.00	1,225.48
Social Security - Employer	7,613.04	8,088.00	474.96	19,587.87	24,264.00	4,676.13
IMRF - Employer Cost	8,769.43	11,580.00	2,810.57	22,810.52	34,740.00	11,929.48
Workers' Compensation Insurance	2,751.59	3,197.00	445.41	6,133.45	9,591.00	3,457.55
Unemployment Insurance	3,200.69	2,876.00	(324.69)	12,466.44	8,628.00	(3,837.44)
Employee Health/Life Insurance	4,011.70	5,119.00	1,107.30	11,745.90	15,357.00	3,611.10
Operational Supplies		22.00	22.00		66.00	66.00
Professional Services	87.26		(87.26)	261.78		(261.78)
Conferences & Training		20.00	20.00	180.00	60.00	(120.00)
ARD - Contract Nursing	1,989.91	12,500.00	10,510.09	3,302.34	37,500.00	34,197.66
Total Alzheimers and Related Disorders	111,896.34	150,682.00	38,785.66	319,849.54	452,046.00	132,196.46
Total Expenses	1,238,194.71	1,408,142.00	169,947.29	3,823,593.97	4,224,426.00	400,832.03
Net Operating Income	(11,501.46)	(122,497.00)	110,995.54	(168,647.32)	(367,491.00)	198,843.88
NonOperating Income						
Local Taxes						
Current-Nursing Home Operating	92,507.83	95,208.00	(2,700.17)	277,523.49	285,624.00	(8,100.51)
Total Local Taxes	92,507.83	95,208.00	(2,700.17)	277,523.49	285,624.00	(8,100.51)
Miscellaneous NI Revenue						
Investment Interest	22.20	25.00	(2.80)	72.40	75.00	(2.60)
Restricted Donations	860.39	292.00	568.39	1,574.14	876.00	698.14
Total Miscellaneous NI Revenue	882.59	317.00	565.59	1,646.54	951.00	695.54
Total NonOperating Income	93,390.42	95,525.00	(2,134.58)	279,170.03	286,575.00	(7,404.97)

Tuesday, April 28, 2015

5:37 PM

79

03/31/15

Champaign County Nursing Home
Actual vs Budget Statement of Operations

7

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Net Income (Loss)	81,888.96	(26,972.00)	108,860.96	110,522.71	(80,916.00)	191,438.71

Champaign County Nursing Home												1	
Historical Statement of Operations													
03/31/15	04/14	05/14	06/14	07/14	08/14	09/14	10/14	11/14	12/14	01/15	02/15	03/15	Total
Operating Income													
Miscellaneous Revenue										3,251	3,389	4,577	11,217
Medicare A Revenue										230,673	238,292	181,283	650,248
Medicare B Revenue										11,202	17,150	22,318	50,670
Medicaid Revenue										656,718	575,389	581,785	1,793,872
Private Pay Revenue										323,706	325,907	435,833	1,085,545
Adult Day Care Revenue										22,440	20,137	20,818	63,394
Total Income										1,247,990	1,180,263	1,226,693	3,654,947
Operating Expenses													
Administration										246,777	257,814	245,222	749,814
Environmental Services										88,688	84,424	92,131	265,243
Laundry										20,198	21,497	13,122	54,817
Maintenance										28,382	29,751	23,352	81,485
Nursing Services										587,488	480,625	481,315	1,529,429
Activities										24,534	24,578	25,463	74,576
Social Services										19,936	17,785	17,826	55,547
Physical Therapy										42,697	43,769	38,427	124,893
Occupational Therapy										30,944	28,793	27,695	87,432
Speech Therapy										12,090	8,622	9,712	30,424
Respiratory Therapy													
Respiratory Therapy										9,089	7,631	7,288	24,008
Total This Department										21,178	16,253	17,000	54,431
Food Services										124,717	105,004	123,669	353,390
Barber & Beauty										7,398	6,674	7,383	21,455
Adult Day Care										20,349	17,191	13,694	51,234
Alzheimers and Related Disorders										116,107	91,846	111,896	319,850
Total Expenses										1,359,394	1,226,005	1,238,195	3,823,594
Net Operating Income										(111,404)	(45,741)	(11,501)	(168,647)
NonOperating Income													
Local Taxes										92,508	92,508	92,508	277,523
Miscellaneous NI Revenue										150	614	883	1,647
Total NonOperating Income										92,658	93,122	93,390	279,170
Net Income (Loss)										(18,747)	47,380	81,889	110,523

Tuesday, April 28, 2015

5:37 PM

**Champaign County Nursing Home
Historical Statement of Operations**

03/31/15

1

Description	04/14	05/14	08/14	07/14	08/14	09/14	10/14	11/14	12/14	01/15	02/15	03/15	Total
Operating Income													
Miscellaneous Revenue													
Lunch Reimbursement										138	171	171	480
Late Charge, NSF Check Charge										3,081	3,218	(36)	6,263
Other Miscellaneous Revenue										32		4,441	4,474
Total Miscellaneous Revenue										3,251	3,389	4,577	11,217
Medicare A Revenue													
Medicare A										103,287	114,169	48,763	266,220
ARD - Medicare A											911	13,082	13,992
NH Pt_Care - Medicare Advantage/ H										123,328	122,865	111,079	357,070
ARD Pt_Care - Medicare Advantage/										4,060	648	8,359	12,965
Total Medicare A Revenue										230,673	238,292	181,283	650,248
Medicare B Revenue													
Medicare B										11,202	17,150	22,318	50,670
Total Medicare B Revenue										11,202	17,150	22,318	50,670
Medicaid Revenue													
Medicaid Title XDX (IDHFS)										480,894	401,481	378,208	1,260,561
ARD - Medicaid Title XDX (IDHFS)										128,240	127,443	147,911	403,594
Patient Care-Hospice										25,542	30,176	13,575	69,293
ARD Patient Care - Hospice										22,041	16,309	22,073	60,423
Total Medicaid Revenue										656,718	575,389	661,765	1,793,872
Private Pay Revenue													
VA-Veterans Nursing Home Care										10,545	13,980	13,780	38,285
Nursing Home Patient Care - Private										199,919	217,523	348,707	766,149
Nursing Home Beauty Shop Revenue										3,288	3,302	3,242	9,832
Medical Supplies Revenue										6,135	3,131	5,155	14,420
Patient Transportation Charges										1,381	992	(151)	2,202
ARD Patient Care- Private Pay										102,458	86,999	65,200	254,657
Total Private Pay Revenue										323,706	325,907	436,933	1,085,545
Adult Day Care Revenue													
VA-Veterans Adult Daycare										9,317	9,071	11,203	29,592
IL Department Of Aging-Day Care Gra										10,879	8,324	8,024	27,227
Adult Day Care Charges-Private Pay										2,244	2,742	1,590	6,576

Tuesday, April 28, 2015

5:38 PM

Champaign County Nursing Home												2	
Historical Statement of Operations													
03/31/15	04/14	05/14	06/14	07/14	08/14	09/14	10/14	11/14	12/14	01/15	02/15	03/15	Total
Description													
Total Adult Day Care Revenue										22,440	20,137	20,816	63,394
Total Income										1,247,990	1,180,263	1,226,693	3,654,947
Operating Expenses													
Administration													
Reg. Full-Time Employees										31,998	24,637	27,112	83,745
Reg. Part-Time Employees													
Temp. Salaries & Wages										1,217	1,068	1,158	3,444
Per Diem										225	315	225	765
Overtime										983	233	180	1,395
TOPS - Balances										(400)	2,705	(402)	1,903
Part-Time Employees											1,095	2,186	3,281
TOPS - FICA										(31)	207	(31)	146
Social Security - Employer										2,501	1,968	2,233	6,700
IMRF - Employer Cost										2,803	2,182	2,521	7,505
Workers' Compensation Insurance										687	803	912	2,402
Unemployment Insurance										2,173	1,343	1,142	4,657
Employee Health/Life Insurance										3,803	4,579	4,694	13,175
Employee Development/Recognition										27	28	380	434
Employee Physicals/Lab										1,228	1,963	2,500	5,691
Stationary & Printing										263	56	191	510
Books, Periodicals & Manuals										69			69
Copier Supplies											391	195	586
Postage, UPS, Federal Express										554	388		942
Equipment < \$2,500										25	49	(4)	70
Operational Supplies										862	631	860	2,354
Audit & Accounting Fees										4,055	4,055	4,055	12,164
Attorney Fees										105	13,885	2,905	16,895
Engineering Fees													
Professional Services										35,783	39,306	38,711	113,801
Job Required Travel Expense										99	126	321	546
Insurance										22,458	22,458	22,458	67,373
Property Loss & Liability Claims											79		79
Computer Services										10,475	5,925	6,898	23,298
Telephone Services										1,484	1,231	1,689	4,404
Legal Notices, Advertising										2,967	4,083	2,725	9,775
Photocopy Services										1,499	1,000	1,000	3,499
Public Relations										101		20	121
Dues & Licenses										1,738	1,725	1,625	5,089
Conferences & Training											1,800	122	1,922
Finance Charges, Bank Fees											1,239		1,239
Tuesday, April 28, 2015												5:38 PM	

03/31/15

Champaign County Nursing Home
Historical Statement of Operations

3

Description	04/14	05/14	06/14	07/14	08/14	09/14	10/14	11/14	12/14	01/15	02/15	03/15	Total
Cable/Satellite TV Expense										2,235	4,522	2,335	9,091
IPA Licensing Fee										45,583	43,011	45,863	134,456
Furnishings, Office Equipment													
Depreciation Expense										59,738	59,358	59,070	178,166
Interest- Bonds Payable										9,374	9,374	9,374	28,123
Total Administration										246,777	257,814	245,222	749,814
Environmental Services													
Reg. Full-Time Employees										26,487	25,967	32,478	84,931
Reg. Part-Time Employees										782	785	814	2,381
Overtime										2,623			2,623
TOPS - Balances										1,154	486	(3,290)	(1,670)
TOPS - FICA										88	36	(252)	(128)
Social Security - Employer										2,235	1,895	2,489	6,719
IMRF - Employer Cost										2,621	2,339	2,848	7,908
Workers' Compensation Insurance										544	800	985	2,340
Unemployment Insurance										2,162	1,382	1,720	5,274
Employee Health/Life Insurance										7,819	7,821	7,982	23,622
Operational Supplies										5,930	3,475	2,857	12,062
Gas Service										11,802	15,146	15,560	42,508
Electric Service										15,385	16,928	20,232	52,544
Water Service										2,058	2,767	2,523	7,347
Pest Control Service										621	496	496	1,614
Waste Disposal & Recycling										4,357	2,250	3,043	9,850
Equipment Rentals										520	263	258	1,041
Sewer Service & Tax										1,497	1,500	1,478	4,476
Total Environmental Services										88,698	84,424	92,131	265,243
Laundry													
Reg. Full-Time Employees										7,039	6,762	7,204	21,005
Overtime										694		32	728
TOPS Balances										486	(131)	(466)	(111)
TOPS - FICA										37	(10)	(36)	(9)
Social Security - Employer										571	488	519	1,578
IMRF - Employer Cost										689	572	615	1,856
Workers' Compensation Insurance										154	202	215	572
Unemployment Insurance										508	349	375	1,232
Employee Health/Life Insurance										1,949	2,598	2,001	6,548
Laundry Supplies										1,485	2,782	638	4,905
Linen & Bedding										6,012	7,886	1,526	15,423
Professional Services										594		497	1,092
Total Laundry										20,198	21,497	13,122	54,817

Tuesday, April 28, 2015

5:38 PM

Champaign County Nursing Home													4
Historical Statement of Operations													
03/31/15	04/14	05/14	06/14	07/14	08/14	09/14	10/14	11/14	12/14	01/15	02/15	03/15	Total
Maintenance													
Reg. Full-Time Employees										5,265	5,491	5,841	16,598
Overtime										103	222	126	451
TOPS - Balances										212	300	469	981
TOPS - FICA										16	23	36	75
Social Security - Employer										390	410	418	1,218
IMRF - Employer Cost										458	480	493	1,431
Workers' Compensation Insurance										114	164	175	453
Unemployment Insurance										354	297	310	962
Employee Health/Life Insurance										677	1,299	1,982	3,968
Tools										174		400	574
Ground Supplies											535	353	888
Maintenance Supplies										3,484	4,792	533	8,810
Professional Services											431		431
Automobile Maintenance										419	311	1,576	2,306
Equipment Maintenance										1,922	5,154	2,630	9,706
Equipment Rentals												5	5
Nursing Home Building Repair/Mainte										10,419	8,326	8,007	26,751
Parking Lot/Sidewalk Maintenance										3,808	1,516		5,324
Furnishings, Office Equipment										566			566
Total Maintenance										28,382	29,751	23,352	81,485
Nursing Services													
Reg. Full-Time Employees										133,932	137,304	142,595	413,831
Reg. Part-Time Employees										5,410	4,570	4,467	14,447
Temp. Salaries & Wages										6,962	11,967	14,648	33,577
Overtime										53,207	22,289	18,254	93,751
TOPS - Balances										(11,385)	1,372	4,937	(5,075)
No Benefit Full-Time Employees										64,485	39,368	37,174	141,028
No Benefit Part-Time Employees										45,007	38,036	31,683	114,726
TOPS - FICA										(871)	105	378	(388)
Social Security - Employer										23,289	19,056	18,728	61,052
IMRF - Employer Cost										26,659	21,267	20,904	68,830
Workers' Compensation Insurance										5,280	6,914	6,884	19,089
Unemployment Insurance										20,120	12,270	12,296	44,686
Employee Health/Life Insurance										24,192	22,943	24,113	71,248
Books, Periodicals & Manuals										199	550		749
Stocked Drugs										(838)	3,856	1,600	4,617
Pharmacy Charges-Public Aid										2,260	1,805	1,914	5,979
Oxygen										3,282	2,255	5,858	11,395
Incontinence Supplies										10,798	8,652	6,976	26,426

Tuesday, April 28, 2015

5:38 PM

Champaign County Nursing Home													5
Historical Statement of Operations													
03/31/15	04/14	05/14	06/14	07/14	08/14	09/14	10/14	11/14	12/14	01/15	02/15	03/15	Total
Pharmacy Charges - Insurance										10,192	10,078	8,786	29,055
Equipment < \$2,500										6,015		443	6,458
Operational Supplies										16,249	16,769	13,250	46,269
Pharmacy Charges-Medicare										10,003	6,350	4,443	20,797
Medical/Dental/Mental Health										3,400	3,400	4,600	11,400
Professional Services										18,956	19,281	23,611	61,748
Laboratory Fees										2,555	2,474	2,303	7,333
Equipment Rentals										1,540	1,635	3,421	6,596
Dues & Licenses										50			50
Conferences & Training										600	1,375	2,213	4,188
Contract Nursing Services										85,719	63,822	62,063	211,605
Medicare Medical Services										240	860		3,962
Total Nursing Services										567,488	480,625	481,315	1,529,429
Activities													
Reg. Full-Time Employees										14,828	13,416	14,791	43,034
Overtime										4	321	644	968
TOPS - Balances										307	1,169	130	1,606
Part Time Non Benefit										628	738	753	2,117
TOPS - FICA										23	89	10	123
Social Security - Employer										1,130	1,067	1,195	3,392
IMRF - Employer Cost										1,325	1,251	1,415	3,991
Workers' Compensation Insurance										309	423	485	1,197
Unemployment Insurance										969	774	878	2,620
Employee Health/Life Insurance										4,537	4,537	4,637	13,710
Operational Supplies										346	666	547	1,560
Professional Services										130	130		259
Total Activities										24,534	24,578	25,483	74,676
Social Services													
Reg. Full-Time Employees										12,751	11,096	11,313	35,159
Overtime										279	286	53	618
TOPS - Balances										891	917	995	2,803
TOPS - FICA										68	70	76	214
Social Security - Employer										979	853	850	2,682
IMRF - Employer Cost										1,148	1,000	1,008	3,156
Workers' Compensation Insurance										245	332	338	915
Unemployment Insurance										898	551	565	2,032
Employee Health/Life Insurance										2,550	2,550	2,608	7,708
Professional Services										130	130		259
Total Social Services										19,936	17,785	17,826	55,547

Tuesday, April 28, 2015

5:38 PM

03/31/15

Champaign County Nursing Home
Historical Statement of Operations

6

Description	04/14	05/14	06/14	07/14	08/14	09/14	10/14	11/14	12/14	01/15	02/15	03/15	Total
Physical Therapy													
Reg. Full-Time Employees										4,624	4,112	4,527	13,183
Overtime										4	10		14
TOPS - Balances										322	587	157	1,046
TOPS - FICA										25	43	12	80
Social Security - Employer										334	303	333	970
IMRF - Employer Cost										382	368	395	1,142
Workers' Compensation Ins.										87	123	135	345
Unemployment Insurance										318	213	238	766
Employee Health/Life Insurance										1,299	1,299	1,328	3,926
Operational Supplies												10	10
Professional Services										35,392	36,743	31,296	103,430
Total Physical Therapy										42,697	43,789	38,427	124,893
Occupational Therapy													
Reg. Full-Time Employees										2,253	2,048	2,253	6,554
TOPS - Balances										134	201	201	535
TOPS - FICA										10	15	15	41
Social Security - Employer										171	155	170	496
IMRF - Employer Cost										200	182	202	584
Workers' Compensation Ins.										43	81	87	172
Unemployment Insurance										180	108	119	387
Employee Health/Life Insurance										850	850	684	1,983
Professional Services										27,323	25,374	24,003	76,701
Total Occupational Therapy										30,944	28,793	27,695	87,432
Speech Therapy													
Professional Services										12,090	8,822	9,712	30,424
Total Speech Therapy										12,090	8,822	9,712	30,424
Respiratory Therapy													
Professional Services										9,089	7,631	7,288	24,008
Total Respiratory Therapy										9,089	7,631	7,288	24,008
Total This Department										21,178	16,263	17,000	54,431
Food Services													
Reg. Full-Time Employees										26,795	24,749	26,748	78,292
Reg. Part-Time Employees										4,994	2,536	2,283	9,792
Overtime										5,718	3,041	2,902	11,661
TOPS - Balances										1,832	(1,189)	2,409	2,861

Tuesday, April 28, 2015

5:38 PM

03/31/15

Champaign County Nursing Home
Historical Statement of Operations

7

Description	04/14	05/14	06/14	07/14	08/14	09/14	10/14	11/14	12/14	01/15	02/15	03/15	Total
TOPS - FICA										125	(91)	184	218
Social Security - Employer										2,830	2,283	2,397	7,510
IMRF - Employer Cost										3,308	2,677	2,841	8,825
Workers' Compensation Insurance										671	816	867	2,354
Unemployment Insurance										2,343	1,474	1,827	5,445
Employee Health/Life Insurance										8,414	8,444	7,983	24,841
Food										(68)			(68)
Nutritional Supplements										5,860	4,643	8,208	19,708
Equipment < \$2,500										134			134
Operational Supplies										(12)		953	941
Professional Services												2,633	2,633
Equipment Rentals										405	405	405	1,215
Dues & Licenses												85	85
Conferences & Training										30	15	45	90
Food Service										81,538	55,203	60,121	176,863
Total Food Services										124,717	105,004	123,869	353,390
Barber & Beauty													
Reg. Full-Time Employees										4,548	4,133	4,548	13,228
TOPS - Balances										298	293	276	865
TOPS - FICA										23	22	21	66
Social Security - Employer										303	271	298	873
IMRF - Employer Cost										355	318	354	1,027
Workers' Compensation Insurance										87	124	136	347
Unemployment Insurance										319	214	237	770
Employee Health/Life Insurance										1,299	1,299	1,328	3,926
Operational Supplies										189		187	356
Total Barber & Beauty										7,398	6,674	7,383	21,455
Adult Day Care													
Reg. Full-Time Employees										11,949	10,091	9,834	31,875
Overtime										473	111	104	688
TOPS - Balances										974	250	(852)	372
TOPS - FICA										75	19	(65)	28
Social Security - Employer										934	753	737	2,424
IMRF - Employer Cost										1,095	882	873	2,851
Workers' Compensation Insurance										233	302	294	829
Unemployment Insurance										853	507	521	1,881
Employee Health/Life Insurance										2,568	2,568	2,078	7,212
Gasoline & Oil										1,056	912		1,968
Equipment < \$2,500											420		420
Operational Supplies										139	17	171	327

Tuesday, April 28, 2015

5:38 PM

Champaign County Nursing Home													8
Historical Statement of Operations													
03/31/15	04/14	05/14	06/14	07/14	08/14	09/14	10/14	11/14	12/14	01/15	02/15	03/15	Total
Description													
Dues & Licenses											359		359
Furnishings, Office Equipment													
Total Adult Day Care										20,349	17,191	13,694	61,234
Alzheimers and Related Disord													
Reg. Full-Time Employees										29,274	28,334	36,710	94,318
Reg. Part-Time Employees												1,463	1,463
Temp. Salaries & Wages												2,318	2,318
Overtime										17,748	8,294	9,083	35,125
TOPS - Balances										2,043	(698)	(16,384)	(15,039)
No Benefit Full-Time Employees										21,693	17,658	21,096	60,446
No Benefit Part-Time Employees										18,879	18,762	30,960	68,601
TOPS - FICA										156	(63)	(1,253)	(1,150)
Social Security - Employer										6,611	5,364	7,613	19,588
IMRF - Employer Cost										7,752	6,289	8,769	22,811
Workers' Compensation Insurance										1,508	1,876	2,752	6,133
Unemployment Insurance										5,737	3,528	3,201	12,466
Employee Health/Life Insurance										3,867	3,867	4,012	11,746
Professional Services										87	87	87	262
Conferences & Training											180		180
ARD - Contract Nursing										955	358	1,990	3,302
Total Alzheimers and Related Disorde										116,107	91,846	111,896	319,850
Total Expenses										1,359,394	1,226,005	1,238,195	3,823,594
Net Operating Income										(111,404)	(45,741)	(11,501)	(168,647)
NonOperating Income													
Local Taxes													
Current-Nursing Home Operating										92,508	92,508	92,508	277,523
Total Local Taxes										92,508	92,508	92,508	277,523
Miscellaneous NI Revenue													
Investment Interest											50	22	72
Restricted Donations										150	564	860	1,574
Total Miscellaneous NI Revenue										150	614	883	1,647
Total NonOperating Income										92,658	93,122	93,390	279,170
Net Income (Loss)										(18,747)	47,380	81,889	110,523

Tuesday, April 28, 2015

5:38 PM

Champaign County Nursing Home
Statement of Cash Flows (Indirect Method)
3 Months
December 31, 2014 through March 31, 2015

CASH FLOW FROM OPERATING ACTIVITIES:

Net Income (Loss) - YTD	\$ 110,523
Depreciation Expense	178,166
(Incr.)/Decr. in Accounts Receivable	(357,730)
(Incr.)/Decr. in Prepaid Expenses	(97,257)
(Incr.)/Decr. in Inventory	5,974
(Incr.)/Decr. in Patient Trust	(3,206)
Incr./(Decr.) in Accounts Payable	18,984
Incr./(Decr.) in Salaries and Wages Payable	79,780
Incr./(Decr.) in Interest Payable	28,123
Incr./(Decr.) in Accrued Com. Absences	(17,357)
Incr./(Decr.) in Other Liabilities	<u>3,291</u>
Net Cash Provided by Operating Activities	(50,709)

CASH FLOW FROM INVESTING ACTIVITIES:

Purchase of Equipment	(16,820)
Improvements / (CIP)	<u>(10,173)</u>
Net Cash Provided by Investing Activities	(26,993)

CASH FLOW FROM FINANCING ACTIVITIES:

Increase in Tax Anticipation Note	-
Notes Payable - Medicaid	-
(Decrease) Due to General Corp. Fund	-
(Decrease) in Bonds Payable	-
Increase in Equity Adjustment	<u>(294,426)</u>
Net Cash Provided by Financing Activities	(294,426)

Total Cash Flow	(372,128)
Beginning Cash Flow - 12/31/2014	<u>704,310</u>
ENDING CASH - 3/31/2015	<u>\$ 332,182</u>

Champaign County Nursing Home
Monthly Statements of Cash Flow (Indirect Method)
October 31, 2014 through March 31, 2015

	<u>Oct. '14</u>	<u>Nov. '14</u>	<u>Dec. '14</u>	<u>Jan. '15</u>	<u>Feb. '15</u>	<u>Mar. '15</u>
<u>CASH FLOW FROM OPERATING ACTIVITIES:</u>						
Net Income (Loss) - Monthly	\$ 83,697	\$ (15,421)	\$ (241,314)	\$ (18,747)	\$ 47,380	\$ 81,889
Depreciation Expense	60,597	59,738	59,738	59,738	59,358	59,070
(Incr.)/Decr. in Accounts Receivable	(455,104)	(215,113)	296,994	(282,323)	(228,240)	152,834
(Incr.)/Decr. in Prepaid Expenses	16,283	16,284	(12,170)	(90,787)	(7,396)	926
(Incr.)/Decr. in Inventory	-	-	-	-	-	5,974
(Incr.)/Decr. in Patient Trust	963	(310)	(556)	(1,657)	(838)	(711)
Incr./Decr. in Accounts Payable	92,244	(37,412)	(346,889)	76,876	(78,180)	20,288
Incr./Decr. in Salaries and Wages Payable	(178,180)	39,938	55,588	69,358	(37,808)	48,230
Incr./Decr. in Interest Payable	10,222	10,222	(61,331)	9,373	9,374	9,375
Incr./Decr. in Accrued Com. Absences	(448)	8,259	(2,463)	(3,589)	(1,043)	(12,725)
Incr./Decr. in Other Liabilities	(963)	310	556	1,657	1,055	579
Net Cash Provided (Used) by Operating Activities	<u>(370,689)</u>	<u>(133,505)</u>	<u>(251,847)</u>	<u>(180,101)</u>	<u>(236,338)</u>	<u>365,729</u>
<u>CASH FLOW FROM INVESTING ACTIVITIES:</u>						
Purchase of Equipment	(3,829)	(4,648)	(8,915)	-	(13,966)	(2,854)
Improvements / (CIP)	-	-	-	-	-	(10,173)
Net Cash Provided (Used) by Investing Activities	<u>(3,829)</u>	<u>(4,648)</u>	<u>(8,915)</u>	<u>-</u>	<u>(13,966)</u>	<u>(13,027)</u>
<u>CASH FLOW FROM FINANCING ACTIVITIES:</u>						
Incr./Decr. in Tax Anticipation Note	-	-	971,120	-	-	-
Incr./Decr. Notes Payable - Medicaid	-	-	-	-	-	-
Incr./Decr. in Due to General Corp. Fund	-	-	-	-	-	-
Incr./Decr. in Bonds Payable	-	-	(185,000)	-	-	-
Incr./Decr. in Equity Adjustment	-	-	-	(194,168)	249,136	(349,393)
Net Cash Provided (Used) by Financing Activities	<u>-</u>	<u>-</u>	<u>786,120</u>	<u>(194,168)</u>	<u>249,136</u>	<u>(349,393)</u>
Total Cash Flow	<u>(374,518)</u>	<u>(138,153)</u>	<u>525,358</u>	<u>(374,269)</u>	<u>(1,168)</u>	<u>3,309</u>
Beginning Cash Balance (Prior Month's)	691,623	317,105	178,952	704,310	330,041	328,873
MONTH ENDING CASH BALANCE	<u>\$ 317,105</u>	<u>\$ 178,952</u>	<u>\$ 704,310</u>	<u>\$ 330,041</u>	<u>\$ 328,873</u>	<u>\$ 332,182</u>

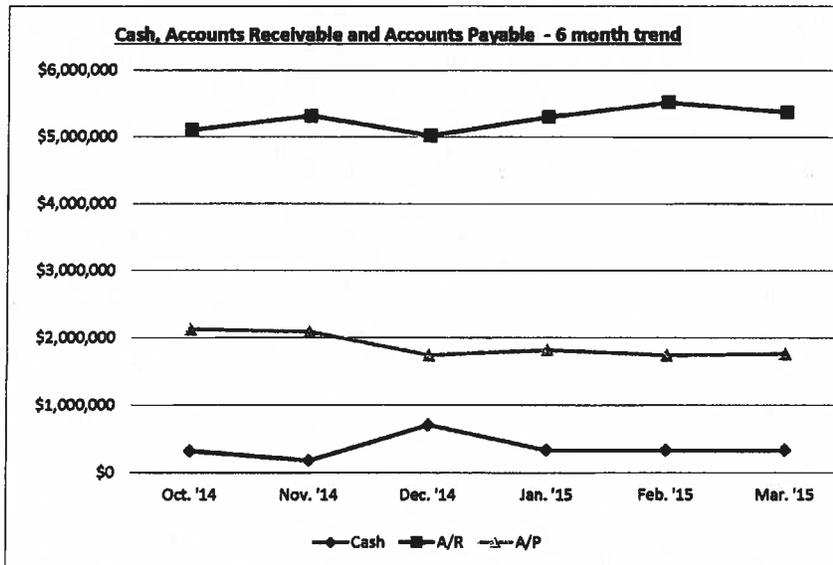
5/4/2015

CCNH cash flow 6 mo end Mar 2015

**Champaign County Nursing Home
October 31, 2014 through March 31, 2015**

Key Balance Sheet Items Charted Below:

	<u>Oct. '14</u>	<u>Nov. '14</u>	<u>Dec. '14</u>	<u>Jan. '15</u>	<u>Feb. '15</u>	<u>Mar. '15</u>
Cash	317,105	178,952	704,310	330,041	328,874	332,182
A/R	5,096,167	5,311,280	5,014,284	5,296,609	5,524,848	5,372,014
A/P	2,125,679	2,088,267	1,741,378	1,818,254	1,740,074	1,760,362



03/31/15

Champaign County Nursing Home
Balance Sheet

1

ASSETS

Current Assets

Cash

Cash	\$331,882.02
Petty Cash	\$300.00
Total Cash	<u>\$332,182.02</u>

Rec., Net of Uncollectible Amounts

Accts Rec-Nursing Home Private Pay	\$1,786,798.35
Accts Rec-Nursing Home Med Adv/ HMO/ Ins	\$763,901.49
Total Rec., Net of Uncollectible Amounts	<u>\$2,550,699.84</u>

Rec., Net of Uncollectible Amounts

Accts Rec-Nursing Home Hospice	\$185,835.58
Allowance for Uncollectible Accts-Private Pay	(\$112,493.75)
Allowance for Uncollectible Accts-Patient Care P	(\$135,318.86)
Allowance for Uncollectible Accts-Patient Care H	\$0.00
Total Rec., Net of Uncollectible Amounts	<u>(\$61,977.03)</u>

Accrued Interest

Property Tax Revenue Receivable	\$279,343.20
Total Accrued Interest	<u>\$279,343.20</u>

Intergvt. Rec., Net of Uncollectibl

Due From Collector Funds	\$589.16
Due from Other Governmental Units	\$1,028,340.81
Due from IL Public Aid	\$1,287,496.07
Due from IL Department of Aging-Title XX	\$63,315.43
Due from US Treasury-Medicare	\$148,396.91
Due From VA-Adult Daycare	\$36,550.43
Due From VA-Nursing Home Care	\$64,221.23
Allowance for Uncollectible Accts-IPA	\$0.00
Allow For Uncollectible Accts-IL Dept Of Aging	\$0.00
Allowance for Uncollectible Accts-Medicare	(\$24,961.61)
Allowance For Uncollectible Accts-VA Adult Day C	\$0.00
Allowance for Uncollectible Accts-VA Veterans Nu	\$0.00
Total Intergvt. Rec., Net of Uncollectibl	<u>\$2,603,948.43</u>

Prepaid Expenses

Prepaid Expenses	\$107,523.84
Stores Inventory	\$5,764.53
Total Prepaid Expenses	<u>\$113,288.37</u>

Long-Term Investments

Patient Trust Cash, Invested	\$23,955.69
Total Long-Term Investments	<u>\$23,955.69</u>
Total Current Assets	<u>\$5,841,440.52</u>

Fixed Assets

Nursing Home Buildings	\$23,291,270.61
Improvements not Buildings	\$485,166.52
Equipment, Furniture & Autos	\$1,465,485.66
Construction in Progress	\$2,688.34
Accumulated Depreciation-Land Improvements	(\$300,205.57)
Accumulated Depreciation-Equipment, Furniture, &	(\$1,036,709.82)
Accumulated Depreciation-Buildings	(\$4,754,501.96)
Total Fixed Assets	<u>\$19,153,193.78</u>
Total ASSETS	<u><u>\$24,994,634.30</u></u>

LIABILITIES & EQUITY**Current Liabilities**

A/R Refunds	\$0.60
Accounts Payable	\$1,760,361.64
Salaries & Wages Payable	\$276,001.25
Interest Payable - Bonds	\$28,122.51
Due To Accounts Payable Fund	(\$216.40)
Tax Anticipation Notes Payable	\$971,120.00
Notes Payable	\$438,053.10
Total Current Liabilities	\$3,473,442.70

Non-Current Liabilities

Nursing Home Patient Trust Fund	\$23,955.69
Bonds Payable	\$2,700,000.00
Accrued Compensated Absences	\$342,324.00
Total Non-Current Liabilities	\$3,066,279.69
Total Current Liabilities	\$6,539,722.39

Equity

Revenues	\$0.00
Retained Earnings-Unreserved	\$18,344,389.21
Year To Date Earnings	\$0.00
Contributed Capital	\$0.00
Year To Date Earnings	\$110,522.70
Total Equity	\$18,454,911.91
Total LIABILITIES & EQUITY	\$24,994,634.30