

**Board of Directors
Champaign County Nursing Home (CCNH) –Minutes
Urbana, Illinois
May 9, 2016**

Directors Present: Emanuel, Banks, Cowart, Anderson, Hodson, Sutton

Directors Absent/Excused: Palinkas

Also Present: Snider, Gima, Noffke, Nolan

1. Call to Order

The meeting was called to order at 5:02 p.m. by Chair Emanuel.

2. Roll Call

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

3. Approval of Agenda

Agenda was approved as distributed (motion by Anderson, second by Sutton, unanimous).

4. Approval of Minutes

The open and closed session minutes of April 11, 2016 were approved as submitted (motion by Anderson, second by Cowart, unanimous).

5. Public Participation

David Laker commented that he is discouraged with the nursing home's finances and future operating plans. Mr. Laker additionally commented that food services delivered his wife's meal 40 minutes late, and the food was served cold but placed on a scalding hot plate.

Richard L thanked the nursing home board for watching over the facility, and he thanked staff members for the care he receives each day. Richard commented that he is most often pleased with the care he receives at the nursing home. He noted difficulties with staffing levels at the nursing home due to the lack of agency usage. Additionally, Richard is concerned about the lint collection system that runs all night because it creates a hissing noise that he can hear in his room.

Pattsi Petrie thanked the nursing home board for holding the study session and for the recommendation the County Board will receive from the board. Ms. Petrie asked the board to consider how Champaign County Nursing Home is distinct from the multitude of long term care facilities in Champaign County during the study session.

6. Communications

None

7. Champaign County Nursing Home Study Session

a. Strategic and financial assessment (including SWOT)

Chair Emanuel prepared a PowerPoint presentation for the study session titled Planning for the Future. Ms. Emanuel reviewed, at length, the key issues, environmental factors,

strengthens, weaknesses, opportunities and threats facing Champaign County Nursing Home.

Ms. Emanuel reported the external environmental assessment by reviewing market needs and market services provided. Market services provided in the Champaign County area include independent living, skilled nursing facilities, assisted living facilities, dementia facilities, home care services, supportive living and adult day care. The market in Champaign County currently has an excess of long term care beds. Additionally, Carle is developing a Post-Acute network for Medicare Advantage, and Presence is developing a Post-Acute Preferred network.

Summarizing the external environmental assessment, Ms. Emanuel reported that competitors in Champaign County have overall higher star ratings; however, Champaign County Nursing Home is increasing their market share in all payor groups. Ms. Emanuel additionally summarized the competitor assessment by utilizing Illinois Medicaid Cost Reports for census, market share and payor mix by facility from 2009-2014. Mr. Anderson asked why 2015 was not utilized in the competitor assessment. Mr. Gima noted that 2014 is the most current data available. Chair Emanuel summarized the Illinois Medicaid Cost Report data for board members.

Chair Emanuel noted that if Champaign County Nursing Home were to close, 102 Medicaid residents would need to be relocated to other facilities that have the same economic burdens as Champaign County Nursing Home. Mr. Anderson reminded the board that he does not envision the nursing home to close, and he encouraged board members to explore all options equally when determining the future of the facility. Mr. Gima reminded the board that changing or reducing the Medicaid census at Champaign County Nursing Home puts stress on other area facilities.

Mr. Banks asked for clarification in regards to the percentage of Medicaid residents in the payor mix that is comfortable for Champaign County Nursing Home to continue operations. Mr. Gima explained that the payor mix can handle a maximum of 65-70% Medicaid residents.

Ms. Emanuel summarized industry and regulatory trends for board members. Industry trends show resident days declining in the past 6 years with the biggest decline being in private pay residents. There has been an increase in Medicaid patient days while there has been increased competition from other options and area facilities. Additionally, regulatory trends show a need for technology investment and partnerships with hospitals.

Ms. Emanuel noted that the overall rating in Champaign County Nursing Home's CMS 5 Star Rating is 2 out of 5 stars; however, it is noted that this low score is due poor health inspection reports. Champaign County Nursing Home has above average ratings in staffing and quality measures categories. Mr. Snider noted that a poor health inspection rating impacts the overall rating the nursing home is allowed to receive. Mr. Gima confirmed and explained that health inspection scores below 3 out of 5 stars only allow the nursing home to add 1 star to the overall rating. If the nursing home is able to improve their health inspection score, the overall rating of the nursing home would increase due to the high staffing and quality measure ratings. Ms. Emanuel noted that health inspection scores are a key issue to focus on and improve.

Mr. Sutton asked for clarification in regards to what is included in the survey that determines the CMS 5 Star Rating. Ms. Noffke, Mr. Gima and Mr. Banks explained that the annual survey is conducted at the nursing home by the Illinois Department of Public Health

(IDPH). A health inspection is conducted, and staffing and quality measures are collected during the annual survey. Mr. Gima noted that any infractions during the survey are recorded as tags and have the potential to remain on the survey for up to 3 years.

Mr. Sutton asked how long the tags the nursing home has accumulated will remain on the survey score and if any have the potential to be removed during the upcoming survey. Ms. Noffke noted that the worst survey tags will be removed in the upcoming survey and the CMS Star Rating should improve accordingly.

Mr. Sutton asked what is included in the quality measures score of the CMS 5 Star Rating. Ms. Emanuel explained that the quality measures reflect clinical outcomes rather than the health inspection, which is a snapshot of the nursing home's performance at the time of the survey.

Ms. Emanuel summarized the impacts of healthcare reform for board members. She noted that 50% of all fee-for-service payments will be replaced by alternative payments models by 2018. Alternative models include fee-for-value payments, accountable care organizations, bundled payments, dual-eligible managed care, and SNF value-based purchasing. In the future, the nursing home will need to improve transitions of care, work with closely with home care providers, provide better care for medically complex and reduce hospital readmissions. Additionally, Ms. Emanuel noted that the nursing home should provide post-acute care services for memory care, wound care, disease management programs, palliative care services, behavioral health services and electronic care coordination.

Ms. Emanuel summarized the analysis of strengths, weaknesses, opportunities and threats that was conducted with staff members, management team members and the Family Advisory Council at the nursing home. Detailed results of the analysis were provided to board members in a distributed handout which has been posted to the County website.

Ms. Emanuel summarized the internal trends at the nursing home. It is noted that the census is at its lowest point since 2009; however, Champaign County Nursing Home has the highest adjusted hours per resident per day in the area. Additionally, the Pinnacle scores for overall satisfaction and nursing care have trended down since 2013 and Champaign County Nursing Home is below the national average in both Pinnacle score categories.

Ms. Emanuel reviewed the current strategic issues facing the nursing home. Current strategic issues include the number of open staff positions, the lack of supervision, the quality of nursing care and clinical services, the quality of food services, the quality of programs and services offered to residents, and the ability to manage service and vendor contracts appropriately. These issues have been tracked since late 2014, and the number of open positions, the quality of nursing care, the quality of programs and services, and the ability to manage contracts appropriately have all improved. Work is still needed to correct the issues behind the turnover and retention rates, the number of open supervisory positions, and the quality of food services.

At this point of the meeting, Ms. Emanuel conducted an exercise with board members to prioritize the factors shaping the future of Champaign County Nursing Home. Board members were asked to rank each factor listed in the Study Session PowerPoint based on the impact each factor is likely to have on the future of the nursing home. The board worked to complete the exercise and final results have been shared in the Study Session PowerPoint presentation posted to the County website. The top five factors shaping the future of the nursing home were identified as making the nursing home a preferred provider, improving health inspection scores, correcting problems with cash flow, improving marketing efforts

and public reputation, and changing services for skilled nursing needs. Mr. Snider asked the board to include facility and capital investments in the key factors shaping the nursing home.

Mr. Anderson noted that 4 of 5 key issues identified relate to problems with marketing and asked the board to consider implementing improved marketing efforts in order to improve revenue. Ms. Emanuel confirmed.

Mr. Banks noted that relationships with area hospitals and healthcare providers need to be improved in order to secure a preferred provider status with those healthcare providers and hospitals. Having a preferred provider status will also improve public perception and help improve marketing efforts.

Ms. Emanuel asked the management staff how they will work to improve health inspection scores. Mr. Gima noted that filling supervisory positions will improve the consistency of nursing care and improve the chances of getting better health inspection scores. Additionally, Mr. Gima noted that reducing agency usage will improve the chances of receiving improved health inspection scores. Mr. Snider noted that researching the items on the health inspection survey and implementing those items into daily practices at the nursing home will help improve the chances of receiving improved health inspection scores.

Ms. Emanuel asked the board to consider fundraising options for improving cash flow and establishing a reserved fund for capital and facility projects and investments. Mr. Anderson asked what amount of money is put away to fund future improvements and repairs. Mr. Gima noted that no funds are currently saved annual for future improvements and repairs.

- b. Where do we want to be in 3 years?

Deferred to the upcoming study session.

- c. Options

Deferred to the upcoming study session.

- d. Recommendation to County Board

Ms. Emanuel asked the board if they were ready to make a recommendation to the county board based upon the discussions held at the current meeting. Mr. Anderson noted that he is willing to meet again in the immediate future to further discuss the key issues facing the nursing home if all board members are no ready to make a recommendation. Mr. Banks agreed with Mr. Anderson.

MOTION by Anderson to defer further study session discussions to a June 6th, 2016 study session; second by Banks.

Ms. Emanuel noted that moving the recommendation to a future meeting may prolong the process. She noted that board members will need to review the materials presented at the current meeting before the next study session in order to keep momentum moving forward.

Upon vote, **MOTION CARRIED.**

8. Dietary Services Report from Healthcare Services Group

Mr. Justin Schneider, Regional Manager of HCSG, introduced three new staff members to the board. Skylar is the new regional dietician, Jason is the new chef, and Sarah is the new district manager as well as dietician. Additionally, Mr. Schneider has met with County Facilities to work on implementing steam tables for improving food temperatures for all meals.

Mr. Anderson asked for the timeframe for implementing the steam tables in all dining rooms at the nursing home. Mr. Schneider noted that work will be completed one dining room at a time and hopes to be completed within the month if the County maintenance work can be accomplished quickly.

Ms. Hodson noted that the steam tables were presented as too costly to implement at previous meetings and would like to know what has changed so the steam tables can now be installed. Mr. Gima explained that Mr. Schneider will use conduction tables along with his expertise for designing kitchenettes. Mr. Schneider noted that he has implemented steam tables at other facilities he works in and can implement the same design at Champaign County Nursing Home. Mr. Gima noted that one steam table can be installed in each dining room and will cost approximately \$1,400 per table.

Mr. Anderson asked if this new design proposed by Mr. Schneider is in compliance with IDPH safety policies and guidelines. Ms. Noffke confirmed.

Ms. Hodson asked if the food service workers will serve meals. Mr. Schneider confirmed and explained that training will be implemented to keep workers up to speed when the new tables are installed.

Ms. Cowart asked what equipment will need to be removed to install the new tables. Mr. Schneider noted that a portion of the L-shaped countertop will be removed in order to make room for the steam tables and associated electrical work.

9. Approval of Revised Nursing Home Personnel Policy

MOTION by Anderson to approve the Revised Nursing Home Personnel Policy; second by Hodson. Upon vote, **MOTION CARRIED.**

10. Management Report

a. Management Report

Mr. Sutton noted, in response to the cash position and cash advanced discussed at the previous month's meeting, that financial documents signed by the Nursing Home Administrator should be presented to the board before being signed and put into place. Ms. Hodson noted that the board was informed of the state cash advance.

Mr. Sutton asked for the financial statements to be updated as soon as possible. Additionally, Mr. Sutton asked for an explanation of the discrepancies in the financial statements on page 113 and 131 of the board meeting packet. Mr. Gima noted that the two pages reflect difference in how the balance sheets were established and adjustments are made at the end of the year to rectify any discrepancies.

Mr. Sutton questioned the playability of the money owed to the nursing by the State of Illinois. Mr. Gima noted that all County homes have similar problems and it is still undetermined when the state will pay what they obligated to give to the nursing home.

Ms. Emanuel noted that more recent financials need to be presented at next month's meeting. Mr. Gima noted that the most up-to-date financials will be presented to the board as soon as possible. Mr. Banks asked why there has been a delay in the financial data. Mr. Gima noted that personnel changes in the business office have caused delays.

b. Cash Update

No update.

c. Legislative Activities

No Update.

d. Dietary Management Services – Action Required

Ms. Emanuel noted that this action item will dissolve the termination with the dietary management company and will continue with the contract that is already in place. Mr. Anderson asked what is expected to change to warrant taking the termination off the table. Mr. Gima explained that he has seen enough positive improvement in order to restore his confidence in the dietary management company. Staffing levels have improved, the turnover rate has declined, and steam tables will be implemented to correct food temperature problems.

Ms. Hodson asked if the contract with the dietary management company can be set up in way to withhold reimbursement based upon objective deficiencies and inspections. Mr. Gima noted it can be brought to the company for their consideration.

Ms. Emanuel noted that she is concerned performance may begin to slip again if the contract termination is taken off the table. Mr. Anderson noted that the company will need time to implement the changes and the survey results from residents will show if food quality is improvement. Mr. Sutton noted that Mr. Schneider said improvements will be seen by mid-summer during the dietary management company's presentation earlier in the meeting.

Mr. Snider asked if food temperatures are individually tracked in order to see if progress is being made. Ms. Emanuel noted that food temperatures are mostly anecdotally reported by residents and the food management company takes a temperature of the last meal tray that is served. Mr. Sutton encouraged the management staff to double check their temperatures and reported data.

MOTION by Anderson to remove the termination notice with Healthcare Services Group; second by Hodson. Upon vote, **MOTION CARRIED**.

Ms. Emanuel noted that a review of the quality of food services needs to be conducted at the July meeting.

11. Other Business

None

13. Next Meeting Date & Time

The next meeting date and time for the monthly Nursing Home Board of Directors is Monday, June 13th, 2016 at 6:00 p.m.

14. Adjournment

Chair Emanuel declared the meeting adjourned at 8:56 p.m.

Respectfully submitted:
Brian Nolan
Recording Secretary