![North Central Health Care — Person centered. Outcome focused.]

OFFICIAL NOTICE AND AGENDA

Notice is hereby given that the **North Central Community Services Program Board** will hold a meeting at the following date, time and location shown below.

Thursday, July 29, 2021 at 3:00 pm

North Central Health Care, 1100 Lake View Drive, Wausau WI 54403 – Wausau Board Room

In addition to attendance in person at the location described above, Board members and the public are invited to attend by telephone conference. Persons wishing to attend the meeting by phone should contact Debbie Osowski at 715-848-4405 24 hours prior to the start time of the meeting for further instructions. Any person planning to attend this meeting who needs some type of special accommodation in order to participate should call the Administrative Office at 715-848-4405. For TDD telephone service call 715-845-4928.

Our Mission

Langlade, Lincoln, and Marathon Counties partnering together to provide compassionate and high-quality care for individuals and families with mental health, recovery, and long-term care needs.

AGENDA

1. CALL TO ORDER

2. CHAIRMAN'S ANNOUNCEMENTS

3. PUBLIC COMMENT FOR MATTERS APPEARING ON THE AGENDA (Limited to 15 Minutes)

4. CONSENT AGENDA AND MONITORING REPORTS
    A. Board Minutes and Committee Reports
        i.   ACTION: *Motion to Approve the May 21 2021, May 27, 2021, and June 24, 2021 NCCSP Board Minutes*
        ii. FOR INFORMATION: Minutes of the June 3, 2021, June 17, 2021, June 24, 2021, and July 2, 2021 Executive Committee Meetings
    B. Executive Operational Reports
    C. Policy Governance Monitoring Reports
        i.   Recent State, Federal, and Accreditation Reports
            1. Behavioral Health Programs Recertification
    D. ACTION: Review and Approval of Board Policy
        1. Contract Review and Approval
        2. Business Associate Contract Management Policy
        3. Contracting with Excluded Individual and Entities
        4. Corporate Compliance Program Policy
        5. Investment Policy

5. BOARD EDUCATION
    A. Corporate Compliance Obligations of the NCCSP Board and Emerging Compliance Trends (30 Minutes) – J. Peaslee

6. BOARD DISCUSSION AND ACTION
    A. CEO Report and Board Work Plan (5 Minutes) – J. Meschke

    B. ACTION: *Motion to Accept the Dashboards and Executive Summary* (5 Minutes) – J. Meschke

    C. ACTION: *Motion to Accept the June Financials* (5 Minutes) – J. Meschke

    D. Review Progress on the Strategic Plan (10 Minutes) – J. Meschke

    E. ACTION: *Motion to Accept the 10-Year Financial Forecast* (10 Minutes) – J. Meschke

7. MOTION TO MOVE INTO CLOSED SESSION
    A. Pursuant to Section 19.85(1) (c) and (f) Wis. Stats. for the purpose of considering employment and performance evaluation of any public employee over which the governmental body exercises responsibility, and preliminary consideration of specific personnel problems, which if discussed in public, would likely have a substantial adverse effect upon the reputation of any person referred to in such problems, including specific review of performance of employees and providers of service and review of procedures for providing services by Agency, to wit: *Report of Investigations related to Corporate Compliance Activities and Significant Events* – J. Peaslee

    B. Pursuant to Wis. Stat. sec. 19.85(1)(c) "considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility," sec. 19.85(1)(e) "deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business whenever competitive or bargaining reasons require a closed session," and sec. 19.85(1)(g) "conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved;" to wit, to discuss status of negotiations with certain personnel and allow Board to discuss with legal counsel the terms of resolution, which is required to be maintained in confidence under Wis. Stat. § 19.356.
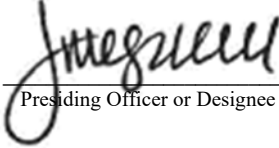
8. MOTION TO RETURN TO OPEN SESSION

9. BOARD CALENDAR AND FUTURE AGENDA ITEMS

10. ADJOURN

NORTH CENTRAL COMMUNITY SERVICES PROGRAM
BOARD MEETING MINUTES

May 21, 2021　　　　　　　**2:00 p.m.**　　　　　　　**Wausau Board Room**

Present via conference WebEx unless otherwise noted by "HCC" which denotes in-person attendance.

X (HCC)	Eric Anderson	X	Randy Balk	X	Chad Billeb
X	Ben Bliven	X	John Breske	X (HCC)	Kurt Gibbs
X	Deb Hager	X (HCC)	Lance Leonhard	X	Dave Oberbeck
X (HCC)	Robin Stowe	X (HCC)	Gabe Ticho	X	Pat Voermans
X	Bob Weaver	X (HCC)	Cate Wylie		

Others Present: Andy Phillips and Joe Russell, von Briesen & Roper

Call to Order
- Meeting was called to order at 2:00 p.m. by Chairman Gibbs.

Consider Motion to Convene in Closed Session
- **Motion** by Stowe, Pursuant to Wis. Stat. sec. 19.85(1)(c) "considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility," sec. 19.85(1)(e) "deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session," and sec. 19.85(1)(g) "conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved; to wit, to receive, review, and discuss the receipt of independent counsel's report on the organization and benefits granted certain employees of NCHC including, without limitation, the legal ramifications associated with the provision of benefits.   Second by Wylie. Roll call. All Ayes. Motion carried.

Reconvene in Open Session Immediately Following Closed and Take Action on Matters Discussed in Closed Session, if any
- **Motion**/second, Bliven/Leonhard to move into Open session at 7:00 p.m. Roll call. All Ayes. Motion carried.
- There were no announcements or actions.

Adjourn
- **Motion**/second, Stowe/Wylie, to adjourn the meeting at 7:00 p.m. Motion carried.

Minutes prepared by Debbie Osowski, Executive Assistant to CEO

North Central Health Care
Person centered. Outcome focused.

NORTH CENTRAL COMMUNITY SERVICES PROGRAM
BOARD MEETING MINUTES

May 27, 2021 **12:00 p.m.** **Wausau Board Room**

Present via WebEx unless otherwise noted by "HCC" which denotes in-person attendance.

X Eric Anderson	X Randy Balk	EXC Chad Billeb
X (HCC) Ben Bliven	X John Breske	X (HCC) Kurt Gibbs
X Deb Hager	X (HCC) Lance Leonhard	X Dave Oberbeck
X (HCC) Robin Stowe	X Gabe Ticho	X Pat Voermans
X Bob Weaver	X (HCC) Cate Wylie	

Others Present: Joe Russell, von Briesen & Roper (HCC)

Call to Order
- Meeting was called to order at 12:00 p.m. by Chairman Gibbs.

Consider Motion to Convene in Closed Session
- **Motion** by Stowe, Pursuant to Wis. Stat. sec. 19.85(1)(c) "considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility," sec. 19.85(1)(e) "deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session," and sec. 19.85(1)(g) "conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved;" to wit, to review and discuss independent counsel's report on the organization and benefits granted certain employees of NCHC including, without limitation, the reasons associated with the provision of such benefits. The Board may excuse certain persons for portions of the closed session as it discusses and deliberates the appropriate action to take based upon the information received. Second by Wylie. Roll call taken. All indicated Aye.

Reconvene in Open Session Immediately Following Closed and Take Action on Matters Discussed in Closed Session, if any
- **Motion**/second, Balk/Wylie, to move into Open Session at 5:29 p.m. Roll call. All Ayes. Motion carried.
- **Motion**/second, Stowe/Anderson, to place CEO Michael Loy on paid administrative leave and appoint CFO Jill Meschke as Interim CEO and authorize the Executive Committee to take appropriate action based on guidance from the Board. Motion carried unanimously.

Adjourn
- **Motion**/second, Weaver/Voermans, to adjourn the meeting at 5:32 p.m. Motion carried.

Minutes prepared by Debbie Osowski, Executive Assistant to CEO

NORTH CENTRAL COMMUNITY SERVICES PROGRAM
BOARD MEETING MINUTES

June 24 27, 2021   **12:00 p.m.**   **Northcentral Technical College**

X(WebEx)	Eric Anderson	EXC	Randy Balk	X	Chad Billeb
X	Ben Bliven	EXC	John Breske	X	Kurt Gibbs
X	Deb Hager	X	Lance Leonhard	X	Dave Oberbeck
X	Robin Stowe	X(WebEx)	Gabe Ticho	X	Pat Voermans
X	Bob Weaver	X	Cate Wylie		

Staff Present: Jill Meschke, Tom Boutain, Jaime Bracken, Dr. Rob Gouthro, Jarret Nickel, Jennifer Peaslee, Bobby Splinter, Zach Ziesemer, Ryan Hansen, Kristin Woller, Connie Gliniecki, Janelle Hintz

Others Present: Dejan Adzic, Gerry Klein, Kim Heller, Josh Boyle, Michael Peer
Paul Gilk, Kevin Stevenson

Call to Order
- Meeting was called to order at 12:12 p.m. by Chair Gibbs.

Chairman's Announcements
- Chair Gibbs thanked all for attending and also for R. Stowe and the Governance Committee for meeting on short notice in order to present candidates for a slate of officers today for Board consideration.

Public Comment for Matters Appearing on the Agenda
- None

Elections
- R. Stowe Chaired the Governance Committee at the request of Chair Gibbs. Other appointed committee members were C. Billeb and D. Hager.
- The committee met 6/23/21 for the purpose of identifying candidates for the officer positions of Chair Elect and Secretary/Treasurer. A candidate for Chair is not needed until January 2022 which will be one year from initial appointment.
- Following discussion, the Committee is presenting Deb Hager for Chair Elect and Robin Stowe for Secretary/Treasurer.
- A ballot was provided for each Board Member with the recommended slate of officers. Chair Gibbs called for nominations from the floor. None were made. Chair Gibbs called for nominations from the floor a second time. No nominations were made.
- **Motion**/second, Leonhard/Stowe to close nominations and cast a unanimous ballot for Deb Hager as Chair Elect. Motion carried.
- **Motion**/second, Bliven/Leonhard, to close nominations and cast a unanimous ballot for R. Stowe as Secretary/Treasurer. Motion carried.

Consent Agenda and Monitoring Reports
- Chair Gibbs recommended pulling the May 21, 2021, and May 27, 2021, from the Consent Agenda due to incomplete information.
- Recruitment efforts have improved since the Board approved the wage increases for many of the direct care classifications. The applicant pool has increased dramatically allowing for a tighter selection process. The latest new hire orientation included 35 new employees with another 28 expected in the next orientation. At this time, we have decreased the number of open FTEs at Mount View Care Center to 5. All dietary positions have been filled. A positive impact to the Dashboards for vacancy and turnover is expected over the next few months. We should also see positive impacts to financial statements with the reduction of agency staff utilization. Pine Crest is experiencing the same positive impact.
- Medical Executive Committee is recommending several new appointments and one reappointment. Three new physicians will be joining us in July 2021.
- **Motion**/second, Leonhard/Wylie, to approve the Consent Agenda excluding May 21 and May 27, 2021 Board minutes as noted above. Motion carried.

Board Discussion and Action
- Presentation of the 2020 Audit – Kim Heller and Josh Boyle, WIPFLI
  - Unique to this audit was the inception of the management agreement with Lincoln County effective 1/1/2020 thereby no comparison data available from prior years, multiple significant changes including new Chief Financial Officer and Director of Accounting (both were tenured staff), the addition of Pine Crest Nursing Home, and the COVID pandemic.
  - The presentation included an overview of the audit, internal controls, accounting and operational matters, financial analysis, and an industry update.
  - Questions from the Board included:
    i. Are there any opportunities to change/improve practices related to allocations by the counties?
       - Nothing identified that should be done differently; consistency and accuracy are important practices to continue.
    ii. What is the impact of an aging population specifically related to staffing?
       - Currently there are approximately 23 workers for every person over age 85. In 2030, 2035, and 2040 it is anticipated there will be just 12 workers for every individual over 85 with long-term care services increasing over time.
  - **Motion**/second, Weaver/Voermans, to accept the 2020 Audit. Motion carried.
- The 2020 Fund Balance Statement - J. Meschke.
  - J. Meschke reviewed allocating indirect and shared direct service programs.
  - **Motion**/second, Weaver/Leonhard, to accept the 2020 Fund Balance Statement. Motion carried.
- CEO Report and Board Work Plan – J. Meschke
  - Residents in the nursing home and residential programs currently have zero positive test results. Number of staff out reduced from 12 to 6. We continue to use precautionary measures, requiring masks within our buildings in an effort to continue the positive trend.

- o The nursing home tower is slated for completion in July with delivery of furniture in August and resident moves in September. A tour for community members to view the new facility is being planned.
  - o Demolition of D-Wing is scheduled to begin July 12, a slight delay from the original date of June 28.
  - o The Workplan items from May have shifted to June and the Board calendar has been updated to reflect these changes.
  - o The Dashboard this month reflects favorably in hospital readmissions. We continue to monitor patient experience and work to improve the response rate.
  - o **Motion**/second, Voermans/Billeb, to accept the Dashboards and Executive Summary. Motion carried.
- April and May Financial Statements – J. Meschke
  - o In May we experienced a loss of almost half a million dollars with a year-to-date loss of $2.1 million. We had targeted for a gain position which leaves us with a shortfall from budgeted expectations. The shortfall is mostly driven by patient volume although we have seen a rebound in census for the month of June. Having to close admissions due to outbreak status has been difficult and our request to the State to operate by unit vs. facility-wide has been denied. We continue to stay focused on infection prevention to try to avoid closing to admissions in the future. Moving from Tier to Cerner is in progress and busy with reconciliation. Programs are doing well managing expenses during the revenue shortage. We are favorable in benefits and salaries.
  - o **Motion**/second, Stowe/Hager, to accept the April and May Financial Statements. Motion carried.
- City-County Information Technology Commission Intergovernmental Agreement – G. Klein, CCIT Director
  - o CCIT has existed for 42 years and NCHC joined the Commission 12 years ago. CCIT focuses on overall systems and NCHC IMS focuses on specific applications to NCHC.
  - o CCIT follows the governance model; and the Commission consists of the Mayor of Wausau, County Officials, NCHC, and community members.
  - o Changes to the governing document is presented to the three owners for their review and approval.
  - o **Motion**/second, Leonhard/Billeb, to approve the City-County Information Technology Commission Intergovernmental Agreement as presented. Motion carried.
- City-County Information Technology Commission Operating Agreement - G. Klein, CCIT Director
  - o Proposed changes to the Operating Agreement were reviewed.
  - o **Motion**/second, Billeb/Hager, to approve the City-County Information Technology Commission Operating Agreement as presented. Motion carried.
- Appoint Dr. Chet Strebe to the City-County Information Technology Commission – G. Klein, CCIT Director
  - o Dr. Strebe is the Chief Information Officer at Northcentral Technical College and will be a great asset to the Board.
  - o **Motion**/second, Hager/Bliven, to approve the appointment of Dr. Chet Strebe to the CCIT Board. Motion carried.

- Mission, Vision, End Statements – J. Meschke
  - There were no recommendations for changes or revisions thereby the Mission, Vision, and End Statements remain unchanged.
  - **Motion**/second, Leonhard/Voermans, to approve the Mission, Vision, End Statements as presented. Motion carried.

Market Assessment and Benchmarking Report for Mount View Care Center and Pine Crest Nursing Homes – Michael Peer, CLA
- Highlights of the presentation included:
  - Market studies across Wisconsin indicate that capacity exceeds anticipated demand. Driving forces include consumer preference to least restrictive settings and, level of care that was previously provided in nursing homes is now provided in assisted living facilities. How can care be provided more efficiently to those with more chronic conditions and less financial/retirement resources?
  - Pine Crest Nursing Home
    - Currently Pine Crest has 160 licensed beds with two units vacant. Data suggests a reduction in number of licensed beds should be considered but to reduce slowly over a number of years to reduce risk. If a reduction is done too quickly, getting licensed beds back may not be possible. It will be important to watch the market and the demand closely as the senior living market is very volatile. Driving census and managing costs to operate with peak efficiency will be vital.
    - There is limited demand for CBRF so would not convert nursing home space to CBRF. Could potentially explore feasibility to convert a portion of the building to memory care or assisted living for a continuum of care which would need to include an architect for specific codes.
  - Mount View Care Center
    - New nursing tower will have 96 beds. Currently 27 beds are in bed hold status and set to expire in September. Recommendation is to let those beds expire as it is not felt those will be needed in the future.
    - Mount View serves a unique clientele with behavioral issues and vent needs and may want to look at further reductions however would recommend continuing to evaluate market and providers and make changes slowly if they are determined.
  - Decision points for the two nursing homes are different and each county will need to focus on its own facility and community needs.

Comprehensive Community Services Contracted Provider Agreement – D. Adzic and J. Hintz
- There are three themes to be addressed and implemented to be successful: 1) Payment for Services, 2) Quality of Care, 3) Compliance
  - *Payment for Services* – Comprehensive Community Services (CCS) is to be a cost-based approach i.e., providers should submit costs of providing CCS services plus we set our rate to be paid with a reasonable profit of margin. Usually, providers receive 90% of the rate and a reconciliation. Our goal is to be proactive rather than reactive by setting rates based on a cost-based approach model and the cost of providing CCS by provider. We will create a spreadsheet as a cost tool for each provider to submit by Sept. 30 demonstrating cost for services. Based on that we will determine an agency rate and eliminate reconciliation at the end and eliminate paying above the benchmark.

- o *Quality of Care* – A review of each provision on how to put into practice has been reviewed. We will address issues by having quality control over services provided and up to Joint Commission Accredited standards. We must have control, with input from providers, in creating individualized service plans to determine type of service, quality, and frequency that NCHC expects.
- o *Compliance* – We want to make sure the contract contains all provisions necessary and addresses any issues according to State Statutes 46.035.
- o To implement these provisions and practices we will focus on an educational component rather than contract only and create a CCS manual for providers to help them familiarize themselves with the contract along with the goals and objectives.
- o **Motion**/second, Stowe/Leonhard, to approve the CCS contracted provider agreement as presented and reviewed. Motion carried.

2022 Budget Priorities and Guidelines – J. Meschke
- 2022 Budget Priorities and Guidelines were discussed.
  - o Managing budget priorities is challenging; must be selective to be effective.
  - o Counties have frozen tax levy for 10+ years and expect NCHC to do more with no additional resources which is not practical.
  - o Several members expressed the top priority as Targeted Case Management which should have a positive impact in other areas too.
  - o This discussion will help as the 2022 budget process begins.

Consider Motion to Convene in Closed Session
- **Motion** by Stowe, Pursuant to Wis. Stat. sec. 19.85(1)(c) "considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility," sec. 19.85(1)(e) "deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business whenever competitive or bargaining reasons require a closed session," and sec. 19.85(1)(g) "conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved;" to wit, to discuss status of personnel changes, which remain the subject of negotiation and discussion, and implementation of Board direction regarding legal positions and alternatives. Second by Leonhard. Roll call vote. All indicated Aye. Meeting convened in closed session at 3:55 p.m.

Reconvene in Open Session Immediately Following Closed and Take Action on Matters Discussed in Closed Session, If any

- **Motion**/second, Leonhard/Weaver, to return to open session at 4:20 p.m. Motion carried.
- No announcements following closed session.

Board Calendar and Future Agenda Items
- Calendar has been adjusted slightly due to the change of the Board Retreat from May to June.

Adjourn
- **Motion**/second, Hager/Bliven, to adjourn the meeting at 4:25 p.m. Motion carried.

Minutes prepared by Debbie Osowski, Executive Assistant to CEO

NORTH CENTRAL COMMUNITY SERVICES PROGRAM BOARD
EXECUTIVE COMMITTEE

June 3, 2021   **6:30 PM**   **NCHC – Wausau Board Room**

Present: EXC   Eric Anderson X   Kurt Gibbs   X   Lance Leonhard
            X   Robin Stowe   X   Cate Wylie

Others Present: Andy Phillips, von Briesen & Roper, Ben Bliven

Call to order
   A. Meeting was called to order at 6:30 p.m. by Chairman Gibbs.

Consider Motion to Convene in Closed Session
   A. **Motion** by Stowe, Pursuant to Wis. Stat. sec. 19.85(1)(c) "considering employment, promotion,
       compensation or performance evaluation data of any public employee over which the
       governmental body has jurisdiction or exercises responsibility," sec. 19.85(1)(e) "deliberating or
       negotiating the purchasing of public properties, the investing of public funds, or conducting
       other specified public business, whenever competitive or bargaining reasons require a closed
       session," and sec. 19.85(1)(g) "conferring with legal counsel for the governmental body who is
       rendering oral or written advice concerning strategy to be adopted by the body with respect to
       litigation in which it is or is likely to become involved;" to wit, to discuss implementation of
       Board direction regarding certain personnel and otherwise legal positions and alternatives.
   B. Second by Wylie. Roll call taken. All indicated Aye.

Reconvene in Open Session Immediately Following Closed and Take Action on Matters Discussed in
Closed Session, If Any

   A. **Motion**/second, Stowe/Leonhard to reconvene in open session at 8:25 p.m. Motion carried.
   B. Statement following closed session: We are continuing discussions regarding an employment
       issue.

Adjournment
   A. **Motion**/second, Stowe/Leonhard, to adjourn the meeting at 8:30 p.m. Motion carried.

Minutes prepared by Debbie Osowski, Executive Assistant to CEO

NORTH CENTRAL COMMUNITY SERVICES PROGRAM
EXECUTIVE COMMITTEE MEETING MINUTES

June 17, 2021   **3:00 p.m.**   **Wausau Board Room**

Present: X   Eric Anderson   X   Kurt Gibbs   X   Lance Leonhard
            X   Robin Stowe   X   Cate Wylie

Staff Present: Jill Meschke, Jarret Nickel
Others Present: Andy Phillips, von Briesen & Roper (via phone during closed session only)

Call to Order
- Meeting was called to order at 3:03 p.m. by Chair Gibbs.

Public Comment
- None

Approval of the May 20, 2021 Executive Committee Meeting Minutes
- **Motion**/second, Stowe/Leonhard, to approve the May 20, 2021 Executive Committee Meeting minutes with the addition of the following:
  - **Motion**/second, Leonhard/Stowe, to move into Open Session at 6:00 p.m.
  - **Motion**/second, Leonhard/Stowe, to adjourn the meeting at 6:00 p.m.
- Motion carried.

Review of Draft NCCSP Board Agenda for June 24, 2021
- J. Meschke recommended several changes to the June 24 agenda as follows:
  - Adjusting for more time of the audit presentation and Comprehensive Community Services Contracted Provider Agreements
  - Move the Strategic Plan, 10-Year Financial Forecast, and Capital Improvement Budget items to the July agenda
- Chair Gibbs noted a closed session may be added to the agenda.
- **Motion**/second, Wylie/Anderson, to approve the draft agenda with noted changes. Motion carried.

Policy Issues for Discussion and Possible Action
- Sober Living Program Expansion
  - Information had previously been shared to add a women's sober living facility in Wausau. Potential property has been identified for this facility. However, we are requesting more analysis to obtain additional clarification and potential partnerships.

- Physician Recruitment Process
  - A sub-group of our compensation committee will be established to review physician compensation and offers for recruitment (not hiring process) which will be brought to the Board for approval. Research will include contacting other like organizations in the State and private organizations to provide context on physician recruitment processes i.e., Brown County, Mendota, Winnebago, and Fond du Lac.
  - A Compensation policy is slated for review in August which will include physician compensation.

Operational Functions Required by Statute, Ordinance, or Resolution
- Action: Review of Compensation Provided for Interim CEO
  - J. Meschke was asked to fill the role of Interim CEO and the committee is being asked to consider additional compensation due to the increase in responsibility. HR Standard recommends a split in the difference of the two positions however, there is currently only a difference of $10,000 between the CFO and CEO salary ranges.
  - **Motion**/second, Anderson/Stowe, to approve an additional annual amount of $10,000 be given to J. Meschke while in the Interim CEO role effective June 17, 2021. Motion carried.

Education Presentations/Outcome Monitoring Reports
- CEO Report
  - When the CEO report was written 12 staff were out with symptoms or exposures related to Covid-19; today just 2 staff are out with tests pending and 0 residents testing positive.
  - A request was submitted to the State requesting each unit operate as a separate and distinct area which could avoid closing the entire nursing home for admissions during outbreak status on a unit. Unfortunately, the State denied our request.
  - The CNA requirements efforts have been tremendous with 35 new employees in orientation this week and 21 directly related to those given the increase by the Board. We now have a waiting list for CNA's and can be selective in who is hired. We have seen improvements in vacancy and turnover rates already. Anticipate improvement in budget and staffing by July.
  - We expect possession of the nursing tower by the end of July with tours for the Board and community in August. Furniture is ordered and should be in place by end of August with residents moves around Labor Day.
  - Bid opening is today for the D Wing renovations with 60+ participants anticipated for the bid opening.
- Organizational and Program Dashboards
  - Vacancy and turnover rates are seeing improvements. It was a good month for hospital readmissions. The Executive Summary is printed and available in hard copy and will be included in the Board Packet.

- May Financials
  - The Executive Management Team is making it an increased focus on financials especially in behavioral health areas.
- **Motion**/second, Stowe/Anderson, to approve the CEO Report. Motion carried.
- **Motion**/second, Leonhard/Wylie, to accept the Organizational and Program Dashboards, May Financials and Board Work Plan and move to full Board at the June meeting. Motion carried.

Consideration of a Motion to Move into Closed Session
  A. **Motion by** Anderson, Pursuant to Wis. Stat. sec. 19.85(1)(c) "considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility," sec. 19.85(1)(e) "deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business whenever competitive or bargaining reasons require a closed session," and sec. 19.85(1)(g) "conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved;" to wit, to discuss implementation of Board direction regarding certain personnel and otherwise legal positions and alternatives. Second by Stowe. Roll call. All ayes. Motion carried. Meeting convened in closed session at 3:32 p.m.

Reconvene to Open Session Immediately Following Closed and Take Action on Matters Discussed in Closed Session, If any
- **Motion**/second, Leonhard/Anderson, to reconvene in open session at 4:30 p.m. Motion carried.

Next Meeting Date & Time, Location, Future Agenda Items
- July 15, 2021, at 3:00 p.m., NCHC Wausau Board Room

Announcements
- No announcements.

Adjourn
- **Motion**/second, Leonhard/Stowe, to adjourn the meeting at 4:40 p.m. Motion carried.

Minutes prepared by Debbie Osowski, Executive Assistant to CEO

**NORTH CENTRAL COMMUNITY SERVICES PROGRAM BOARD
EXECUTIVE COMMITTEE**

June 24, 2021   **4:40 PM**   **NCHC – Wausau Board Room**

Present: X   Kurt Gibbs   X   Lance Leonhard   EXC   Eric Anderson
                X   Robin Stowe   X   Cate Wylie

Call to order
    A. Meeting was called to order at 4:40 p.m. by Chairman Gibbs.

Consider Motion to Convene in Closed Session
    A. **Motion** by Leonhard, Pursuant to Wis. Stat. sec. 19.85(1)(c) "considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility," sec. 19.85(1)(e) "deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business whenever competitive or bargaining reasons require a closed session," and sec. 19.85(1)(g) "conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved;" to wit, to discuss implementation of Board direction regarding certain personnel and otherwise legal positions and alternatives.
    B. Second by Wylie. Roll call taken. All indicated Aye.
    C. Attending in Closed Session was Attorney Andy Phillips, von Briesen & Roper

Reconvene in Open Session Immediately Following Closed and Take Action on Matters Discussed in Closed Session, If Any

    A. **Motion**/second, Stowe/Wylie, to reconvene in open session at 5:35 p.m. Motion carried.
    B. Discussion with counsel is continuing.

Adjournment
    A. **Motion**/second, Leonhard/Stowe, to adjourn the meeting at 5:40 p.m. Motion carried.

Minutes prepared by Debbie Osowski, Executive Assistant to CEO

**NORTH CENTRAL COMMUNITY SERVICES PROGRAM BOARD
EXECUTIVE COMMITTEE**

July 2, 2021		**9:00 AM**		**NCHC – Wausau Board Room**

Present: X   Kurt Gibbs   X   Deb Hager   X   Lance Leonhard
                  X   Robin Stowe   X   Cate Wylie

<u>Call to order</u>
     A. Meeting was called to order at 9:00 a.m. by Chairman Gibbs.

<u>Consider Motion to Convene in Closed Session</u>
     A. **Motion** by Leonhard, Pursuant to Wis. Stat. sec. 19.85(1)(c) "considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility," sec. 19.85(1)(e) "deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business whenever competitive or bargaining reasons require a closed session," and sec. 19.85(1)(g) "conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved;" to wit, to discuss implementation of Board direction regarding certain personnel and otherwise legal positions and alternatives.
     B. Second by Stowe. Roll call taken. All indicated Aye.
     C. Attending in Closed Session was Attorney Andy Phillips, von Briesen & Roper

<u>Reconvene in Open Session Immediately Following Closed and Take Action on Matters Discussed in Closed Session, If Any</u>

     A. **Motion**/second, Stowe/Wylie, to reconvene in open session at 10:05 a.m. Motion carried.
     B. No announcements were made.

<u>Adjournment</u>
     A. **Motion**/second, Wylie/Leonhard to adjourn the meeting at 10:06 a.m. Motion carried.

Minutes prepared by Debbie Osowski, Executive Assistant to CEO

MEMORANDUM

DATE: July 2021
TO: North Central Community Services Program Board
FROM: Dr. Robert Gouthro, Chief Medical Officer
RE: CMO Report

The following items are general updates and communications to support the Board on key activities and/or updates since our last meeting:

1) **Residency & Education**:

- Amp student interns have been active with us over the last two months and have completed several projects, including NCHC provider marketing videos, presentation to the Boys and Girls club on wellness, and presentations to local high school students on wellness and mental health.

- Our first Aspirus Family Practice resident will begin rotations with NCHC in August.

- The academic year has transitioned, and we will now have resident support in the youth hospital during the entire year along with three new residents rotating in our outpatient clinics – Dr. Joshua Shupe, Dr. Boris Berman, and Dr. Ania Fida.

2) **Patient Care and Provider Quality (Behavioral Health)**:

- Dr. Dotson, our new child psychiatrist, officially began working for NCHC July 1st, and her presence has already been felt. With Dr. Unal's unexpected and prolonged leave, Dr. Dotson has stepped in to run the youth hospital in her absence.

- Dr. Daniel Hoppe and Dr. Waqas Yasin are now operating independently on the inpatient unit. Their addition improves patient care, improves unit workflow with an earlier workday, and will lead to significant cost savings over time. Locums and contract provider utilization will nearly be eliminated in our adult acute care services moving forward.

- Physician recruitment is ongoing, our experienced applicant completed a second visit with her husband, and we expect an official response to our offer by the end of the month. A second interview will also occur in August, with a current Green Bay psychiatry resident, that has strong interest in the area, and an outpatient position with NCHC.

- NCHC Acute Care Services leadership met with the Aspirus Emergency Room Director and Medical Director to discuss ways to increase communication, plans for introducing our new providers, a unified medical clearance expectation consistent with hospitals in other parts of the state, and provide education on the widely held opinion (outlined by Marathon County Corporation Counsel) that chap 51 allows for emergency medical clearance and treatment when the patient is at high risk for harm, without the need for additional direction from the court.

  We will continue to work to build a stronger connection with our community emergency departments to decrease unnecessary medical clearance, law enforcement time, and patient burden.

MEMORANDUM

DATE: July 22, 2021
TO: North Central Community Services Program Board
FROM: Jaime Bracken, Chief Nursing Officer
RE: Monthly Nursing Services Report

The following items are general updates and communications to support the Board on key activities and/or updates of Nursing Services since our last meeting:

Program Updates:

1. **Nursing Education / Learning and Development**
   - We continue to have large new hire orientation groups and anticipate this trend to continue through August. New staff from June orientations are starting to work independently and filling many of our vacant shifts. This could not have come at a better time as we plan our upcoming move into the new nursing tower. The training teams are working diligently to ensure that all staff have the orientation and training necessary to occupy the tower as well.
   - July 12th, we had our first CNA class at Pine Crest. We also have another class scheduled in August which will continue to fill our vacant CNA positions.
   - The nursing education team continues to be busy providing education and support access to the organization. The team is now able to offer in-house CPR classes, CNA classes and nursing skills competency checkoffs. They continue to also offer support to our clinical units as we maintain a state of readiness for state survey and Joint Commission visits across our programs. The team continues to conduct mock medical and behavioral emergency drills.

2. **Infection Control and Lab Services**
   - The team is working with Cerner to build the lab portion of the medical record. The lab is currently using a manual paper process, so it is important that we get them access to the new EMR timely to avoid any patient safety concerns.
   - In late June, OSHA released an Emergency Temporary Standard regarding COVID-19 and Healthcare related exposures. Additional hazard assessment has been conducted and proper changes have been implemented to ensure we meet the new standards.
   - The team continues to provide COVID-19 vaccination clinics for staff and residents monthly.

3. **Behavioral Health Services (BHS)**
    - Cerner continues to be a focus with the BHS teams. Although the transition went well, there are still areas that we need to focus on to ensure that all staff understand documentation requirements and to work efficiently. We will continue to have user training and Cerner workflow meetings to continue to work towards additional efficiencies that we can gain from our new electronic medical record.
    - Joint Commission continues to be our major focus for our BHS areas as we are well past our survey window. With the change to Cerner, it is vital that we monitor and audit our high-risk areas to ensure compliance. We continue with our mock tracers and audits to focus on high-risk areas such as use of restraints, seclusion, and ligature risks. The team has several action plans in place, and we will continue this process well beyond our survey to ensure long-term compliance.

4. **Long-Term Care**
    - The Mount View team continues to be focused on transition plans for the new tower. A great deal of work is needed to make this happen and staff and residents are excited about the upcoming changes.
    - The nursing leadership team remains busy with nursing assistant interviews! We are getting closer to closing our gap which will only help with resident and staff satisfaction. The teams feel optimist about staffing for the first time in a long time.
    - The nursing home teams continue to look for ways to get the facilities "back to normal". Residents are enjoying the activities and being able to engage more with other residents. We continue with routine testing and other related covid policies and procedures. It is nice to see how creative the teams are to engage our residents yet ensure we do it safely and within our infection control guidelines.

5. **Clinical Excellence and Quality**
    - The Falls Prevention Program workgroup has implemented the new program to staff in all patient care areas. We continue to see a decline in our falls and will continue in that direction. The work from this team has been great and I look forward to the continued efforts and positive outcomes.
    - The leadership team continues to focus on other areas to address adverse events such as medication errors, wounds, and facility acquired infections.
    - We are in the process of revamping our quality committees for the nursing homes. This will provide standardization and collaboration across both facilities and the ability to better track the work that is being done within the programs.

![North Central Health Care — Person centered. Outcome focused.]

MEMORANDUM

DATE: July 16, 2021
TO: North Central Community Services Program Board
FROM: Thomas Boutain, Information Services Executive
RE: Monthly IS Report

The following items are general updates and communications to support the Board on key activities and/or updates of Information Services since our last meeting:

Due to the Cerner Go Live happening in the middle of the June, we will be postponing the Monthly Metrics and the Red/Green report pertaining to the Behavioral Health data that would have been generated out of Tier. We are currently reviewing the data being produced out of Cerner and will be combining it with the data in Tier for June. We will report the June and July data during the August reports. The decision was made to verify the accuracy of the data before it was reported on.

1. **Cerner Millennium Behavioral Health Electronic Medical Record (EMR) Implementation Update:**

   Through its foundational EMR, Cerner's work with NCHC will help facilitate integrated care across its mental and behavioral health services including psychiatric, emergency, rehabilitation, community treatment, and more.

   The <u>high-level timeline</u> was drafted to assist leaders and staff with planning/preparation for the targeted Cerner Millennium Go Live in January 2021. Based on checkpoint evaluations between Cerner and NCHC at numerous key project stages, and as the COVID-19 pandemic landscape evolves, orders/guidelines at various local and national levels influenced the proposed timeline. Current Go Live date is scheduled for Q2 2021.

   - **System Build and Validation**
     Data collection gathering has wrapped up for core areas and our Cerner consultants have begun to transition our conversations to system build and validation. NCHC and Cerner teams will collaborate to complete system configuration and testing/validation post training environment refresh.
     - *Complete*

   - **Super User Training**
     IMS, Super Users, and department leaders will walk through all registration, scheduling, patient accounting, pharmacy, and other workflows in the system. Super Users receive training on the solution's best practice workflows, as seen in the Future State Workflow Review event, to prepare them to lead End User training.
     - *Complete*

- **Integration Testing & Data Migration**
  Teams will test and confirm data flows between integrated system as expected and successfully migrate applicable date from legacy system (TIER) to Cerner Millennium.
  - *Complete*

- **End User Training**
  Cerner collaborates with NCHC on the development of End User training plans. Super Users deliver End User training to staff to prepare them for using Cerner Millennium. End Users are required to receive training prior to using the system.
  - *Complete*

- **Conversion Prep & User Training**
  Information Management Systems (IMS) receives User Management training to support and manage user accounts. Cerner will provide the IMS team the knowledge/tools to perform system maintenance tasks and prepare the production environment, staff, and devices for Go Live. Overall readiness assessment for Go Live event conducted.
  - *Complete*

- **Go Live**
  Teams will begin using Cerner Millennium to register and schedule patients who need to receive care on or after the Go Live date and ensure all needed information is available in the new system. Once fully prepared for Go Live, all staff will begin registering, scheduling, charting, and completing all day-to-day tasks in Millennium.
  - *Cerner Go Live occurred on Tuesday, June 8th at 12:01am.*
  - *IMS Provided 24 hour support for the first week of Go Live through a Command Center model.*
  - *Cerner Command Center, staffed by IMS team members, was decommissioned on June 17th due to the low volume of break/fix calls – CCITC HelpDesk contacted moving forward following normal support procedures/hours.*
  - *IMS Team continues to work Cerner-related break/fix tickets assigned by CCITC HelpDesk.*
  - *IMS Team has been engaged by Program Directors/Leaders to assist with delivering and/or deliver Super User/End User refresher training for various programs and workflows.*
  - *Cerner Consultants remain engaged with IMS Team in troubleshooting activities and resolving items on Issue Tracking list.*
  - *IMS continues to create and communicate several easy access resources as part of their implementation/communication plan to support Super User and End Users:*
    - *Tip Sheets – Step-by-steps for individual tasks*
    - *Standard Work – User manuals for each major function*
    - *News Flashes – Important quick informational messages containing late-breaking information that may not yet be incorporated into standard work*

- o *IMS Team Members continue to work with Cerner Consultants to better understand and uphold NCHC's role in User Maintenance, as new employees are onboarded post-Go Live and the ownership has transitioned to NCHC.*
  - o *Until a long-term decision is made, IMS is scheduled to deliver Cerner Essentials training sessions for new hires, that occur on a bi-weekly basis, starting July 8th. Session topics include:*
    - ▪ *A general overview of key concepts, terminology, and basic navigation.*
    - ▪ *Set up applications preference in preparation for utilizing the system as they enter their program/department.*
  - o *Discussions are underway to determine the best approach for delivering Cerner Essentials training to Student Nurses who are rotating through the Behavioral Health Inpatient department.*

- **Post Launch Health Checks**
  At 30, 60, and 90 days post Go Live, Cerner and the NCHC team will evaluate/document End User and organizational satisfaction, gather opportunities for improvement based on feedback/usage metrics, and as needed, establish short and long-term action plans.
  - o *In advance of our first anticipated "Health Check" meeting, between the Cerner and NCHC teams, at the 30 to 60 Post Go Live mark, we invited Super Users and Directors/Leaders from programs across the organization to meet and share their thoughts/input regarding the Cerner implementation. Feedback collection centered around the following questions:*
    - ▪ *What went well?*
    - ▪ *What could we do differently?*
    - ▪ *What change would result in an immediate positive impact?*
  - o *As time and resources permit, the IMS team intends to further investigate the identified "immediate positive impact" items both internally and with the Cerner Team to determine what steps can be taken to address them.*

2. **Information Management System (IMS) Update:** We have been busy in our 30 days post-go-live with Cerner to resolve issues, send out tip sheets, create standard work guides, and solidify a training plan going forward for staff. We are also in the thick of heavy reporting needs and now that we've used the system for a month, we are seeing how the standard reports are working for our dashboards and metrics.

3. **Health Information Management (HIM) Update:** We are currently working through staff turnover in this area and focused on recruitment of quality individuals. Our Cerner workflows continue to be improved each day and we recently started a visual management board and daily huddles to divide work among the teams to keep up with requests.

![North Central Health Care — Person centered. Outcome focused.]

MEMORANDUM

DATE: July 23, 2021
TO: North Central Community Services Program Board
FROM: Jarret Nickel, Operations Executive
RE: Monthly Operations Report

The following items are general updates and communications to support the Board on key activities and/or updates of NCHC Operations since our last meeting:

1. **Campus Renovations & Improvements:** At close of business today (July 23rd) the nursing tower will officially be marked as substantially completed meaning we will have access to begin moving operations over the next two months. Stakeholder meetings and transition plans have been completed and finalized with resident occupancy to begin the week of September 13th. As the nursing tower project comes to a close our D & F Wing project enters full swing with major demolition beginning the week of August 2nd. This project is split into three phases with phase one estimated for completion in Spring of 2022. Part of the Wisconsin budget included $5 million for renovations of our behavioral health facilities, and we are in the process of securing these funds which will be allocated to this project to provide expanded services and beds. Planning for the current MVCC building kicked off in early July, this planning is led by AYA.

2. **Skilled Nursing Operations:** June marked our first month with no impact to admissions for both facilities since the Covid-19 pandemic began. We continue to see strong rates in our counties which provide positive outlook on our operations. Census recovery has been quicker than anticipated, this is in large part due to staffing increases with wage changes. Pine Crest, as I type this report, will head into the weekend at a census of 96 a number that we haven't seen since January. MVCC is navigating the move into the new nursing tower with census anticipated to grow quickly once this move is completed. Vacancy rates for both facilities for the first time all year are exceeding target which will drive our census growth in the coming months. Regulatory-wise both facilities remain with no survey activity which is positive news as well.

3. **Community Living:** June continued our trend of recovery in Community Living with members continuing to return in ADS and Prevocational services. Our residential programs remain at capacity with short wait lists at some buildings. So far in 2021 we have opened two sober living facilities, one in Wausau and one in Antigo, with both having shown great community need and demand. We continue to operate our homelessness initiative housing which has had steady demand and positive impact in reducing hospitalization rates.

4. **Covid-19 Screening & Support:** Covid-19 seems to be gaining press once again with numbers continuing to increase globally and across the country. We have been fortunate that our three counties remain with low levels of positivity, but we continue to push and educate vaccination. We are seeing several governmental agencies provide positive operational impact such as OSHA if all employees are vaccinated. We are testing the removal of masks in our Aquatics program and to this point the pilot has been successful; we plan to continue to monitor rates and the pilot to see if expansion is appropriate. Screening at all our facilities continues and was reinforced with new OSHA regulations effective July 5th. Outlook of Covid-19 remains questionable with mixed reports of potential spikes. We will continue to monitor and make decisions based on those we serve and communities that we operate within.

5. **Workforce Status Update:** June & July welcomed over 80 employees to North Central Health Care marking the largest two months hiring in several years. Of these 80 employees almost all were direct care givers which will provide significant relief to our current workforce who face burnout challenges each day. These new employees will also reduce our reliance on agency and overtime providing a positive financial impact once training is completed (August). Our vacancy rate across NCHC is under 6% compared to a nation healthcare average of 10%. We have shifted our focus now from recruitment to retention and turnover reduction with employee engagement surveys and action plans to address system and program level opportunities.

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MEMORANDUM

DATE: July 29, 2021
TO: North Central Community Services Program Board
FROM: Jennifer Peaslee, Compliance Officer
RE: Behavioral Health Programs Recertification Survey Report

The Division of Quality Assurance (DQA) conducted an onsite visit on March 23-24 as part of the department's regular recertification process for the following programs. DQA is responsible for regulating and licensing programs and facilities that provide health, long-term care, mental health, and substance abuse services.

DHS 34-Emergency Mental Health Services
- Crisis

DHS 35-Outpatient Mental Health Clinics
- Outpatient Counseling-Mental Health
- Psychiatry

DHS 61-Community Mental Health Programs
- Inpatient Program (Adult)

DHS 75-Community Substance Abuse Services
- Day Treatment (Marathon County)
- Outpatient Counseling-Substance Abuse
- Medically Managed Inpatient Detoxification Service

Survey activities included virtual and in person tours of program areas, policy review, and interviews with management. In addition, the surveyors reviewed a random sample of 17 staff records and 28 client records. Surveyors shared guidance and recognition of quality service provision at NCHC.

Ultimately, the goal of survey activities is to determine compliance with regulatory requirements and are completed prior to issuing recertification. In these surveys, it is expected that there will be opportunities for improvement identified. A total of 8 deficiencies in the following topic areas were identified: documentation of clinical supervision provided to required staff, follow-up and linkage for individuals following receipt of crisis services, required personnel for activity therapy in our hospital, screening, discharge and referral requirements for our substance abuse programs, and annual service evaluation requirements to include service goals, objectives, and measurable expected outcomes.

A plan of correction was created in response to each deficiency identified and accepted by DQA on 5/26/21 resulting in recertification for the following two years. The plan of correction included policy update and revisions, workflow and process improvements and training and education. Ongoing monitoring of these corrections will occur to ensure continued compliance.

Policy Title: Contract Review and Approval	North Central Health Care Person centered. Outcome focused.
Policy #: 105-0007	**Program:** Administration 105
Date Issued: 02/28/2019	**Policy Contact:** Chief Executive Officer

Related Forms
Contract Review Request Form

1. **Purpose**

   The purpose of this Contract Review and Approval provides an organized and coordinated process to ensure that any binding commitments obligating North Central Health Care (NCHC) are properly reviewed, prepared, approved, and executed by authorized personnel. This Policy is binding upon all NCHC employees. Please consult with the NCHC Contract Specialist if you have any questions about this Policy or the procedures to follow for the review, preparation, approval, and execution of NCHC Contracts.

   This Policy establishes guidelines, procedures, and requirements for:

   - An initiating Director or Executive (the "Requester") to request Contract assistance from NCHC's Contract Specialist or legal counsel.

   - The review, preparation, approval, and execution of a Contract to which NCHC is a party

2. **Definitions**

   Compliance Officer: The high-ranking member of management that is named by the Board of NCHC to serve as Compliance Officer of NCHC.

   Contracts: "Contract(s)" include any and all agreements or understandings between NCHC and any other party, including without limitation, business associate agreements, employment agreements, health care provider agreements, consolidated billing services agreements, insurance provider agreements, maintenance agreements, medical records agreements, purchase agreements, software agreements, transportation agreements, rental agreements, equipment agreements, service agreements, facility use agreements, consulting agreements, licenses, leases, promissory notes, instruments, assignments, powers of attorney, terms and conditions, memoranda of understanding, letters of intent, settlements, releases, waivers, grant applications, other similar documents, and any renewal, amendment, or modification to existing Contracts of the foregoing types.

If an employee is not certain whether a communication with another party will form or modify a Contract, the Requester should contact the Contract Specialist for guidance. All Contracts are required to be in writing. Oral agreements are not authorized regardless of whether there is a monetary exchange.

Contract Specialist: The individual designated by NCHC to manage the administrative activities associated with NCHC Contracts and the contracting process.

Health Care Provider: "Health care provider" or "provider" is a state licensed or certified person or state-authorized facility, which delivers diagnostic, treatment, inpatient or ambulatory health care services or any other party that receives payment or reimbursement for the provision of health care services.

Managed Care Contract: Contracts with health plans, managed care organizations, governmental reimbursement programs and other organizations that involve reimbursement or other compensation for services performed by NCHC. Managed Care Contracts include, without limitation, Contracts involving:

- Participation in Accountable Care Organizations, preferred provider organizations, network provider organizations, clinically integrated provider organizations, and other organizations that contract with payers of health care services;

- Any state, federal, or other governmental health care program;

- Employee welfare benefit programs whether qualified or not under the Employee Retirement Income Security Act;

- Exclusive provider organizations, preferred provider organizations, defined benefit plans, health maintenance organizations, physician/hospital organizations, and indemnity insurance;

- Administration of any Managed Care Contract, third party administration;

- Utilization review, quality standards, quality assurance, quality management, incentive compensation, compliance with protocols or standards for providing care, integrated care requirements, and preauthorization or preapproval of services; and

- Reimbursement or compensation regardless of the structure including fee-for-service, discounted fee-for-service, bundled payment, capitation, episode of care, and pay for performance.

NCHC Contract Templates: Standard contract clauses that are created and approved by legal counsel to provide guidance with respect to areas of contracting. Each NCHC Contract Template shall include a cover sheet indicating the scope of acceptable use and other issues determined by legal counsel and/or the Compliance Officer regarding the use of the applicable NCHC Contract Template. Use of a NCHC Contract Template does not obviate the need to have the applicable Contract properly reviewed, approved, or executed pursuant to this Policy. NCHC Contract Templates are only intended to potentially streamline the review and approval process by developing uniform terms. Each potential contractual arrangement will have its own unique terms and regulatory impact. Reliance on NCHC Contract Templates alone is not sufficient to assure compliance or approval.

Referral Source Arrangement: An arrangement with a physician or other person or entity that is in a position to make, influence, or recommend a referral, purchasing, leasing, ordering or arranging for any goods, facility, item or service paid for, in whole or in part, by a federal or state healthcare program. The definition should be interpreted broadly for purposes of the NCHC compliance program. A Referral Source Arrangement is any type of Contract or other arrangement with anyone (including an immediate family member of such person) who could potentially influence the flow of Medicare/Medicaid or other government healthcare programs business to another party including anyone who has referred a patient to NCHC in the past or who is reasonably anticipated to refer a patient to NCHC in the future. This definition includes instances when NCHC or a NCHC provider is the party in a position to refer or influence the referral of federal healthcare program business to a vendor. A Referral Source Arrangement can exist even if the subject matter of the Contract does not involve potential referrals or is otherwise unrelated to healthcare. Any arrangement with a party that is in a position to make or influence referrals is to be considered a Referral Source Arrangement.

3. **Policy**

   It is the policy of NCHC to develop and implement a   Contract Review and Approval Policy that applies to all Contracts made on behalf or in the name of NCHC; to commit to writing all Contracts; to assure that a review process is completed that is appropriate to the nature of the Contract; and to assure that all Contracts are properly reviewed and executed by individuals who have proper authority. This Policy applies to all Contracts to which NCHC is a party, regardless of whether they have been drafted by NCHC or a third party.

4. **General Procedure**

   1.1 Except as otherwise provided herein, only the Chief Executive Officer or other expressly designated Executive of NCHC is authorized to execute Contracts on behalf of NCHC. Where the risks of failing to achieve the purposes of this Policy are low, and the matters are routine, the Authorized Signatory may delegate approval authority for classes of Contracts to the CFO or Compliance Officer who have supervision of the subject of the Contracts. Any such delegation shall be in writing and shall be executed by the Authorized Signatory. The Authorized Signatory may revoke such authority at will.

5. References

5.1 **CMS:** None

5.2 **Joint Commission:** None

5.3 **Other:** None

Related Policies, Procedures and Documents

Related Forms
None

1. **Purpose**

   To establish a process by which North Central Health Care (NCHC) manages the contracting process with third parties to assure that all parties who are potential Business Associates as defined in the Health Insurance Portability and Accountability Act (HIPAA) are required to enter into Business Associate Agreements. The purpose and intent are to protect the confidentiality of patients, staff, and information of NCHC that is considered Protected Health Information.

2. **Definitions**

   Business Associate: Business Associates are contractors, or other non-NCHC employees, hired to do the work of, or for, our organization that involves the use or disclosure of protected health information (PHI). The complete regulatory definition of Business Associate is contained in 45 CFR 160.102 and should be consulted if there is any question regarding whether a party is a Business Associate. These activities may include: legal, actuarial, accounting, consulting, data aggregation, management, administrative accreditation, billing and financial services.

   Business Associate Agreement: A contract between entities that specifies mutual responsibility for protecting the privacy and security of Protected Health Information.

   Covered Entity: Under HIPAA, this is a health plan, a health care clearinghouse, or a health care provider who transmits any health information in electronic form in connection with a HIPAA transaction. These entities are bound by the HIPAA privacy standards even if they contract with others to perform some of their essential functions. NCHC is a Covered Entity as defined in HIPAA.

   Minimum Necessary: NCHC and our Business Associates are to make reasonable efforts to limit the use and disclosure of and request for protected health information to the minimum necessary to accomplish the intended purpose.

   Protected Health Information: Individually identifiable health information that is transmitted or maintained in any form relating to the past, present, or future physical or mental health condition of an individual, or provision of health care to an individual, or payment for the provision of health care to an individual.

3. **Policy**

It shall be the policy of North Central Health Care to employ a systematic process for the establishment and management of Business Associate Agreements (BAA) with third parties to ensure the protection of Protected Health Information (PHI). HIPAA requires a BAA to be in place with certain third parties defined as Business Associates under HIPAA. A BAA must be in place before any PHI can be provided from NCHC to a Business Associate.

4. **General Procedure:**

4.1 All NCHC individuals, programs, or relationships which are involved in establishing contractual relationships with entities or persons that are serving or supporting NCHC must evaluate whether the entity or person entering a contractual relationship with NCHC or otherwise potentially qualifying as a Business Associate of NCHC is required to establish a BAA with NCHC. All PHI use permitted in the BAA must be limited to the Minimum Necessary.

4.2 All prospective contractual arrangements, must be initiated through the NCHC Contract Specialist and are subject to the NCHC Contract Review and Approval Policy. The NCHC Contract Specialist will assess the vendor/business relationship to determine whether a BAA must be entered as part of the contract.

4.3 A BAA is required regardless of whether there is a written contract or not with the vendor/business.

4.4 If NCHC becomes aware that a breach or violation of privacy by a Business Associate, NCHC will take reasonable steps to cure the problem and potentially terminate the contract. The BAA shall obligate all Business Associates to notify NCHC if a privacy violation or breach has occurred, and assist in remediation. \

5. **References**

5.1 **CMS:** None

5.2 **Joint Commission:** None

5.3 **Other:** None

Related Policies, Procedures and Documents
Business Associate Contract Procedure
Contract Review and Approval Policy

Policy Title: Contracting with Excluded Individuals and Entities	North Central Health Care
	Person centered. Outcome focused.
Policy #: 105-0021	**Program:** Administration 105
Date Issued: 04/2019	**Policy Contact:** Chief Executive Officer

Related Forms
None

1. **Purpose**

   Under the direction of the NCCSP Board of Directors, the Compliance Officer shall be given the authority to ensure compliance with this policy. All individuals who have authority to enter into contracts on behalf of the organization shall assure that this policy is followed and appropriate termination clauses are included in all such contracts.

   This policy applies to all North Central Health Care (NCHC) employees, all individuals/entities entering into a contract with NCHC, and all of their respective employees and contractors.

2. **Definitions**

   None

3. **Policy**

   In accordance with Federal law, NCHC will not employ, enter into a contract with, or extend clinical privileges to, or continue the employment or contract with, or clinical privileges of, any party that is included on the Office of Inspector General ("OIG") and/or the System for Award Management ("SAM") listings of excluded parties, or who has been convicted of a crime related to health care.

4. **General Procedure:**

   4.1 Human Resources shall screen for and notify the Compliance Officer of any current or contracted employee that Human Resources determines to be included on a list of excluded parties or to have been excluded under any government program.

   4.2 The Corporate Compliance Officer shall conduct an annual review of the screening process. Such review shall include an evaluation of Human Resources' performance of the screening process and any action taken in response to discovering that any individual or company doing business with NCHC is not an individual who appears on any government exclusion list.

5. **References**

   5.1 **CMS:** None

Policy Title: Contracting with Excluded Individuals and Entities
Author(s): Michael Loy
Owner: Chief Executive Officer

Next Review Date: July 2022
Approver: NCCSP Board

5.2 **Joint Commission:** None

5.3 **Other:**
     OIG – http://exclusions.oig.hhs.gov/
     SAM – http://www.sam.gov

Related Policies, Procedures and Documents

Policy Title: Contracting with Excluded Individuals and Entities
Author(s): Michael Loy   **Next Review Date:** July 2022
Owner: Chief Executive Officer   **Approver:** NCCSP Board

Policy Title: Corporate Compliance Program	North Central Health Care Person centered. Outcome focused.
Policy #: 200-2145	**Program:** Quality and Compliance 200
Revision Date: 07/29/2021	**Policy Contact:** Compliance Officer

Related Forms: N/A

1. **Purpose**
   North Central Health Care (NCHC) strives to have all employees carry out their duties in an ethical and legal manner. In furtherance of this goal, the North Central Community Services Program (NCCSP) Board has established a Corporate Compliance Program which shall apply to all programs and services that are operated by or under the auspices of NCHC and all staff working at NCHC, including students/interns, volunteers, temporary staff, medical learners, ~~residents, interns~~ and contracted staff. The standards of this policy are to be complied with ~~by staff~~ at all times.

2. **Definitions: N/A**

3. **Policy**

   The Compliance Program focuses on achieving compliance with all laws, rules and regulations governing the activities of NCHC, included but not limited to: billing practices, patient privacy, applicable documentation and coding, self -referral, anti-kickback, false claims acts, fraud and abuse prohibitions, medical necessity, ethical practice, and other rules, regulations, and standards that are applicable to NCHC operations and services. The Compliance Program will seek first to prevent misconduct, but is also designed for early detection of violations that will be addressed in a forthright and remedial fashion. The Compliance Program will contain these elements and other elements adopted by NCHC to identify and proactively address potential areas of compliance risk. The following basic elements are generally considered to constitute the basic core elements of NCHC's ability to have an effective compliance program. Each of the general areas identified may be covered more completely in one or more detailed policies and/or procedures.

   - Standards of conduct and written policies and procedures for employees, contractors and Medical Staff will be established. A Code of Conduct shall be maintained and updated annually ~~in writing~~ and be widely distributed to all individuals who are required to comply with the Compliance Program and/or permitted to report compliance concerns.

   - A Corporate Compliance Officer (CO) will be appointed and a Corporate Compliance Committee shall be maintained and is charged with management of the Compliance Program. The Corporate Compliance Officer assumes responsibility for daily operation of the Compliance Program with oversight and operational assistance provided by the Corporate Compliance Committee.

   - The CO, with assistance from the Corporate Compliance Committee, will develop and maintain an ongoing process to identify and rank the severity of potential compliance risks. Issues will be addressed and resources will be allocated to compliance issues based upon systematic risk assessment and prioritization.

- The CO will recommend and the NCCSP Board will assure that an appropriate budget for compliance will be allocated in amounts sufficient to appropriately address compliance issues based on the risk identification, assessment, and prioritization identified in an annual work plan.

- The CO will develop and ensure a regular, effective education and training programs for all levels of staff, board members, management, medical staff, contractors, and all other agents. Training will include new hire training, periodic refresher training, risk area specific training, and other special training. The CO will use information obtained from the risk identification, assessment, and prioritization process to identify risk specific areas where staff may be in need of training.

- The CO will oversee an effective auditing and monitoring system to evaluate compliance with applicable laws, policies, and areas of prioritized risk. The process of monitoring and auditing shall be designed by the CO and approved by the Corporate Compliance Committee. Monitoring and auditing activities shall be carried out in a professional manner and the CO shall strive to conduct such duties in a manner that is not more intrusive than necessary to determine compliance.

- The CO will maintain and communicate ~~an~~ effective and well-publicized protocol<u>s</u> for reporting compliance concerns without fear of retaliation.

- The Corporate Compliance ~~Committee~~ <u>Program</u> will provide a structure to define the response to all incidents of potential non-compliance that are detected through audit, monitoring, and/or reported by any individual. A corrective action plan will be implemented for each incident which is substantiated after the investigation.

- The Corporate Compliance ~~Committee~~ <u>Program</u> will develop and maintain a disciplinary standard to be equitably applied to conduct that violates the Code of Conduct, compliance policies and procedures and/or applicable laws, rules, and regulations.

- The Compliance Program will be subject to periodic evaluation by an independent consulting firm to assure the validity and efficacy of the Compliance Program.

- The organization will maintain a process to assure that it does not employ or contract with any individual or entity who has been excluded from participation in Medicare, Medicaid, or any other governmental program, who is included on the excluded party list maintained by the Office of Inspector General, the System of Awards Management (SAMs) list of excluded parties or any other state or federal program exclusion list.

4. **General Procedure: N/A**

5. **References**
   5.1. **Other:** <u>Chapter 8, United States Sentencing Commission</u> ~~Federal Sentencing Guidelines,~~ U.S. Department of Justice Criminal Division Evaluation of <u>Corporate</u> Compliance Programs (Updated June 2020), Office of Inspector General (OIG) Effective Compliance Programs<u>: www.oig.hhs.gov/compliance/compliance-guidance/index.asp, Measuring Compliance Program Effectiveness: A Resource Guide (HCCA-OIG)</u>
   5.2. **Related Policies, Procedures and Documents:** Compliance Program Policy & Procedure Index

Policy Title: Investment	North Central Health Care Person centered. Outcome focused.
Policy #: 105-0001	**Program:** 105 Administration
Revision Date: 05/27/2021	**Policy Contact:** Chief Financial Officer

1. Purpose

The Investment Policy formulates investment guidelines that allow the opportunity for investments that are prudent and beneficial for North Central Health Care (NCHC) and meet WI Statues 66.0603. The policy also establishes the guidelines for investments which allow Officers to make decisions on investment decisions.

2. Policy

The safety of the principal shall be the foremost objective of the investment program. NCHC's investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

Risk of loss due to the failure of the security issuer or backer, will be minimized by:
- Limiting investments to the types of securities as allowed by the investment policy.
- Prequalifying the financial institute in which NCHC will do business within accordance with this policy.
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one issuer will be minimized.

Risk that the market value of securities in the portfolio will fall due to changes in market interest rates, will be minimized by:
- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell or redeem securities prior to maturity.
- Investing operating funds primarily in shorter-term securities or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy.

The investment portfolio shall remain sufficiently liquid to meet operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature to meet anticipated cash needs. Since all possible cash demands cannot be anticipated, the portfolio should consist of securities to meet unanticipated cash needs in the event they arise. A portion of the portfolio may be placed in local government investment pools which offer same day liquidity for short term funds.

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering the investment risk and constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall be generally held until maturity except when a security experiencing declining credit may be sold or redeemed early to minimize loss of principle or liquidity needs of the portfolio require that the security be sold.

The portfolio should be built to allow NCHC to have ample cash to meet operation needs for 3 to 6 months in the event routine cash flow is jeopardized. The status of this section will be reviewed by the Board on an annual basis.

Authority to manage the investment program is granted to the Chief Financial Officer. The North Central Community Services Program Board may also delegate its investment decision making authority to the Chief Executive Officer, and may seek advice from another party, such as an investment advisor.

Permitted investments will be made in accordance with Section 66.0603 of the Wisconsin Statues governing investment practices and with this policy. Permitted investments are:

- An interest-bearing negotiable time deposit of fixed maturity at a commercial bank. Certificate of Depot investments shall have maturities not to exceed three years, and which are FDIC insured or collateralized at 100% of market value by U.S. Treasury obligations or federal agency securities.

- An aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment by the State of WI Investment Board.

- Financial debt instruments backed by the United States government, such as Treasury Bills or Treasury Notes. A Treasury Bill has $1,000 denominations that mature in less than one year. A Treasury Note has $1,000 denominations that mature in 1 to 10 years.

- Insured savings account or money market funds and accounts. Deposits more than $250,000 must have additional insurance to protect the investment.

Where allowed by law, full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit.

A summary of investments will be provided to the Board monthly. The summary will include by security the location, principal amount, interest rate, and maturity date. The investment portfolio will also be reviewed during the annual financial audit. Any policy concerns will be addressed by the Board.

Corporate Compliance Program Elements

A Compilation of documents needed for a successful compliance program

North Central Health Care

Person centered. Outcome focused.

Table of Contents

Purpose and Scope

North Central Health Care (NCHC) strives to have all employees carry out their duties in an ethical and legal manner. In furtherance of this goal, the North Central Community Services Program (NCCSP) Board has established a Corporate Compliance Program which shall apply to all programs and services that are operated by or under the auspices of NCHC and all staff working at NCHC, including students, residents, interns, learners, and contracted staff.

The Compliance Program focuses on achieving compliance with all laws, rules, and regulations governing the activities of NCHC, included but not limited to: billing practices, patient privacy, applicable documentation and coding, self -referral, anti-kickback, false claims acts, fraud and abuse prohibitions, medical necessity, ethical practice, and other rules, regulations, and standards that are applicable to NCHC operations and services. The Compliance Program will seek first to prevent misconduct but is also designed for early detection of violations that will be addressed in a forthright and remedial fashion.

The Compliance Program reflects NCHC's good faith commitment to identify and reduce risk, improve internal controls, and establish standards to which the entire organization shall adhere. The compliance program will be designed, implemented, and enforced to prevent and detect misconduct. As such, NCHC adopts the following seven core elements of an effective compliance program:

1 Standards of conduct and written policies and will be established.

2 A Corporate Compliance Officer (CO) will be appointed, and a Corporate Compliance Committee shall be maintained and is charged with operating and monitoring of the Compliance Program.

3 Regular, effective education and training programs will be developed and implemented for all levels of staff, board members, management, medical staff, contractors, and all other agents.

4 Internal auditing and monitoring will be conducted to evaluate compliance with applicable laws, policies, and areas of prioritized risk.

5 An effective and well-publicized protocol for reporting or raising conduct or ethical concerns without fear of retaliation will be maintained. This includes a structure to investigate and report on such concerns.

6 Disciplinary standards to clarify and provide equitable enforcement in response to conduct that violates the Code of Conduct, policies, and procedures and/or applicable laws, rules, and regulations.

7 Respond to and prevent identified noncompliance, including establishing appropriate and coordinated corrective action measures.

The Compliance Program has been developed in accordance with applicable law, and with guidance from federal authorities, including Federal Sentencing Guidelines (Ch. 8-Sentencing of Organizations-United States Sentencing guidelines ("U.S.S.G."), U.S. Department of Justice Criminal Division Evaluation of Compliance Programs (Updated June 2020), Office of Inspector General (OIG) Effective Compliance Programs.

The Compliance Plan is not intended to summarize all laws and regulations applicable to NCHC.

Core Elements

Policies/Procedures

Policies and procedures are meant to reflect NCHC's values and expectations regarding the behavior of employees, Board members, medical staff and agents, explain the operation of the Compliance Program, clarify and establish internal standards for compliance with laws and regulations, and help everyone understand the consequences of noncompliance.

Code of Conduct

The Code of Conduct is intended to serve as a guide by providing standards by which employees, Board members, medical staff and agents shall conduct themselves to protect and promote organization-wide integrity and to enhance NCHC's ability to achieve its mission. It promotes the organization's commitment to a culture that encourages ethical conduct and a commitment to compliance with the law.

All employees and agents of the organization are required to read and understand the Code of Conduct. All employees sign an attestation following receipt of annual training on the Code of Conduct.

The Code of Conduct is reviewed and updated annually to reflect any changes to the regulatory landscape, in response to organizational findings and opportunities and to maintain relevancy to the industry and the organization.

To promote accessibility, the code of conduct is written in an easy-to-read format and is made available to employees through posting on department communication boards, in the learning management system and available on NCHC website under the Compliance Page. In addition, a one-page poster highlighting the main components and commitments relative to the code of conduct is disseminated and posted in all departments.

Compliance Policy/Procedure Index

The Compliance Program requires the creation, distribution and maintenance of sound policies and procedures that address the various components of the Compliance Program and NCHC's principal legal risk areas. Policies are centrally located in the Learning Management System for ease of access and review. They are reviewed and revised annually with some approvals obtained by the NCCSP Board of Directors and others as applicable approved by the Corporate Compliance Committee.

Policies
- Advanced Directives Policy
- Anonymous Reporting Methods Policy
- Anti-Kickback Statute Policy
- Billing & Reimbursement Policy
- Complaints and Grievances Policy
- Conducting Internal Investigations Policy
- Conflict of Interest Policy
- Corporate Compliance Program Policy
- Cultural Competency Plan
- Designation of Compliance Liaisons Policy
- Execution of Search Warrants Policy
- Fraud and Abuse Policy
- Gifts Policy
- Informed Consent
- Occurrence Reporting Policy
- Patient/Client/Resident Rights & Responsibilities Policy
- Section 1557 Policy (Affordable Care Act)
- Surrogate Decision Makers

Procedures
- Compliance Officer and Oversight Committee Procedure
- Compliance Risk Assessment Procedure
- Document-Non-Clinical Retention updated Procedure
- Complaints and Grievances Procedure
- Compliance Auditing and Monitoring Procedure
- Execution of Search Warrants Procedure
- Guidance for Conducting Compliance Investigations Procedure
- Preservation of Documents Procedure
- Self-Disclosure and Self Reporting Procedure

Forms & Resources
- Audit File Contents
- Audit Report Format
- Audit Working Papers Standards
- Conducting Internal Investigations Checklist
- Conflict of Interest Form & Letters
- Litigation Hold Notice Example
- Standard Audit Process

Compliance Oversight & Infrastructure

The success of a Compliance Program requires high level commitment by leadership to implement a culture of compliance. Our compliance program infrastructure includes the Board of Directors, the management teams, medical staff, all employees, a Compliance Officer, and a Compliance Committee. The NCCSP Board of Directors and Executive Management team sets the tone for Compliance. The Board is ultimately responsible for the oversight of the compliance function. They need to understand their responsibility, provide oversight, and monitor resources allocated to carry out the compliance program and be committed to compliance. Middle management is responsible for reinforcing the standards and works with their staff to make sure that they are abiding by them. Conduct at the top is crucial in modeling a culture of compliance through behaviors and actions. The Executive and Management Teams are responsible for ensuring compliance program initiatives are implemented within each program, service, and facility of NCHC.

There are many roles & responsibilities that are all important to the Compliance Program and process:

- **Compliance Function:** prevention, detection, and resolution of actions. The Compliance Officer is responsible for this function.
- **Legal Function:** advises the organization on legal and regulatory risks, defends the organization. North Central Health Care has a corporation counsel who assists with this function.
- **Audit Function:** provides an objective evaluation of the existing risk and internal controls and framework. Reporting to the CO, the Compliance Auditor is responsible for this function.
- **Human Resources Function:** manages recruiting, screening, hiring, training, and development. NCHC employs a full time Human Resources Director who has a team of professionals to carry out this function.
- **Quality Improvement:** promotes consistent, safe, and high-quality practices. Quality is everyone's responsibility and there are several key positions that contribute to this function. In addition, there are several committees and structures that provide oversight and monitoring.

The Compliance Officer reports to the CEO and is appointed by the Board of Directors with direct access to the board. The Compliance Officer has the authority to make decisions and although can delegate authority and responsibility for compliance activities, retains the responsibility for effectiveness of the compliance program.

Corporate Compliance Committee

The purpose of the Compliance Committee is to allow NCHC and the Compliance Officer (CO) to benefit from the combined perspectives of individuals with diverse responsibilities and experiences to establish accountability, credibility, and the structure of the Compliance Program. The Corporate Compliance Committee is responsible for providing support to the CO in planning, overseeing, implementing, operating, and enforcing the various components of the Compliance Program.

Corporate Compliance Committee - Standing Committee reporting to the North Central Community Services Program (NCCSP) Board of Directors and membership is comprised of Executive Management Team members, and other key areas including human resources, financial services, health information and medical records, corporation counsel, compliance program staff, and HIPAA Privacy Officer.

At the end of each meeting, the Committee will review the discussion items and develop a plan to communicate key decisions or updates to relevant stakeholders. These commitments will be documented and followed up on. Key information will need to go to the Medical Staff and NCCSP Board.

Intended Results:

1. Review reports and recommendations of the Compliance Officer regarding Compliance Program activities, including data regarding compliance generated through audit, monitoring, and individual reporting.

2. Make recommendations to the Compliance Officer regarding the efficacy of the Compliance Program and assist in the annual evaluation for effectiveness.

3. Assist the Compliance Officer in reviewing NCHC's approach to, and results of, risk identification, assessment and mitigation plans for the legal and regulatory compliance risks facing the organization.

4. Review of compliance policies and procedures to include the Code of Conduct, relevant reporting and non-retaliation policies, relevant education and training, and other written compliance policies and procedures that guide NCHC and the conduct of its staff in day-to-day operations.

5. Review significant complaints and other matters raised through compliance reporting mechanisms including government inquiries or investigations and other significant legal actions.

6. Review information about current and emerging legal and regulatory compliance risks and enforcement trends that may affect the organization's operations, performance, or strategy.

Training and Education

The CO is responsible for the proper coordination and supervision of the education and training process relative to compliance. This requires the development of a general compliance training program that is designed to provide an overview of Compliance Program activities and requirements and emphasize the areas that generate the greatest compliance risks for NCHC.

The compliance training programs are intended to provide each NCHC employee, Board member, member of the medical staff and, as applicable, agents with an appropriate level of information and instruction regarding the Compliance Program and applicable legal requirements and ethical standards. Both general and specific compliance training programs shall include distribution of the Code of Conduct and policies and procedures to the appropriate attendees.

When identifying training topics, the CO considers any regulatory requirements, updates, and changes are reflected as well as information gathered from actual reports of violations and investigations, is informed by the OIG Work Plan, and the organization's risk assessment. Training is developed and distributed in partnership with Learning Development and at minimum includes new hire training and 1-3 hours of training annually per employee. All training is documented through use of the Learning Management System and is part of the employee training record.

Training includes several methods best suited for the topic to include a combination of in person and online learning, pre and post assessment and evaluation to gauge understanding of elements contained in training.

In addition, the organization has an ethical decision-making model:

✓ *Is it Legal?*

✓ *Does it comply with our rules, regulations, and guidelines?*

✓ *Is it in line with our Mission, Vision, and Core Values?*

If staff have answered "no" to any of the questions or is unsure, they are encouraged to stop and seek guidance before proceeding.

NCHC also has an Ethics Committee that staff can access for ethical consultations. Once a consult is submitted, the committee will respond to the request within 72 hours. The Ethics Committee reports to the Corporate Compliance Committee and is responsible for policy and conducting case consultation on issues that challenge ethical boundaries in care delivery. The Committee focuses on improving process and outcomes of care provided to the patient/resident/client by assisting in the identification, analysis, and resolution of ethical problems. Ethics Consultations are meant to address the ethical issues involved in a specific clinical case. In addition, the Ethics Committee will be prepared to respond in any public health emergency in support of clinicians managing ethical situations in the care of patients.

Intended Results

1. Provide policy and support to ensure the active presence of the bioethical principals of autonomy, beneficence, non-maleficence, and justice

2. Identify and analyze the nature of value, uncertainty, or conflict that underlies the consultation*

3. Facilitate resolution of conflicts in a respectful atmosphere with attention to the interests, rights, and responsibilities of all those involved*

4. Assist healthcare leaders in upholding their ethical duties to plan, safeguard and guide

American Society for Bioethics and Humanities (ASBH). Core Competencies for Healthcare Ethics Consultation. 2nd Ed. 2011.

Auditing and Monitoring

Federal Sentencing Guidelines require auditing and monitoring to ensure the compliance program is effective in preventing conditions of non-compliance and to identify and correct any potential noncompliance. A variety of auditing and monitoring functions are conducted to test and confirm the effectiveness of the Compliance Program. Audits shall be conducted at the CO's direction and outlined in an audit and monitoring plan to be reviewed by the Compliance Committee and reevaluated annually to determine whether audits have been effective at minimizing NCHC's risk areas and, if action has been taken to correct discovered deficiencies, whether that corrective action was sufficient to improve the audited area.

Monitoring activities are ongoing. The CO shall direct each NCHC department as to the level of monitoring activities necessary to detect and prevent deficiencies. Monitoring activities may also be initiated by managers.

Auditing is a more formal and defined process than monitoring. Auditing is performed to validate compliance with a particular standard or regulation. Compliance audits may also be conducted by the CO with assistance from NCHC management or other individuals as the CO shall designate.

Compliance audits may take one or more of the following forms and can be either internal or external in nature:

- **Baseline audit** to assess overall compliance used to prioritize needs for policies, procedures, training, or corrective action. This is a reference point to measure effectiveness.

- **Routine/scheduled audits** based on the compliance work plan, not necessarily due to a non-compliance concern.

- **Investigative/ad hoc audits** are completed in response to a potential incident of non-compliance. Occurrence report investigations would be included here.

- **Self-audits** are conducted by staff within a department to ensure compliance to appropriate departmental regulations.

The audit and monitoring plan and schedule for conducting auditing and monitoring shall be created and maintained by the Corporate Compliance Officer. Specific timetable may be adjusted as results are obtained, additional risk areas are identified, and previously identified risk areas are reassessed based on changes in law, operations, or other factors. The Compliance Officer shall document all decision with respect to prioritization of risk areas and auditing and monitoring tasks.

Risk Assessment

Risk assessment is a continually ongoing and vital part of the Compliance Program. The Corporate Compliance Committee will conduct the risk assessment bi-annually or more often if warranted. Results of the risk assessment will be utilized in the design of compliance work plans, audit and monitoring scheduling, policy creation/update, and other compliance activities.

NCHC utilizes risk identification and prioritization processes to identify risk areas to be addressed through the auditing and monitoring program. The processes should involve representatives from all aspects of the organization including, information technology, coding, billing, clinical representatives, senior leadership, and compliance.

A variety of sources, resources and mechanisms are used in the risk identification process. Once a universe of potential risk areas has been identified, risks shall be divided by topic area and placed on a matrix to aid in ranking the severity of the risk area. Severity is determined through consideration of impact and likelihood. Those risks with the highest combined scores are prioritized over those with minimal or slight risk. Prioritized risks will be addressed as follows (as appropriate).

- Risk areas identified as high risk will require prompt action. High risk areas are further analyzed to determine whether the risk area requires action on an immediate, basis.

- High risk areas will require higher priority of action. For example, audit plans may require revision to move a risk area up in the audit schedule.

- Lower risk areas will tend to be moved out on audit schedules but should not be ignored. Areas involving any significant risk should be addressed and delays in addressing these areas should be justified and documented. In some cases, it may be appropriate to monitor these risks.

- Identified risk that can be mitigated easily without significant devotion of resources may be addressed more immediately.

Program Survey

Program surveys are individualized based on regulations specific for the program and sent to each program for completion as part of the risk identification process. Program managers are asked for the following relative to compliance with laws and regulations:

- Name of applicable policies
- Training provided
- Level of compliance with applicable regulations
    - Inventory of barriers that may be contributing to areas of non-compliance,
    - Risks of not complying,
    - Mitigation efforts,
    - Action Plans to come into compliance
- Identify how compliance to the regulation is being monitored and a listing of controls or mechanisms (policy, procedure, trainings, checklists, audits, etc.,) utilized to help mitigate risk factors.

Managers are also given an opportunity to include any additional thoughts related to new or emerging risk areas and answers to the question "What keeps you up at night?"

Follow up questions would be developed dependent on what additional information is needed from the program based upon survey responses.

Assessment

Risk Prioritization Framework is developed based on information gathered from surveys, NCHC strategic plan affecting compliance, regulation changes, lessons learned, NCHC policy/procedure changes, and emerging compliance issues. Potential risks are scored based on likelihood plus impact to determine a severity level. The Corporate Compliance Committee helps with determination of severity level and any additional controls to determine the residual risk.

Once the risk assessment complete, it is utilized to complete the Compliance Audit and Monitoring Plan and Work Plans.

Reporting and Investigating

NCHC offers multiple ways for employees, residents, clients, etc. to anonymously report a concern/complaint regarding violations of the Code of Conduct, laws, or regulations.

NCHC does not allow retaliation for reporting good faith concerns. Prohibited acts of retaliation include discharge, demotion, suspension, threats, or any other action that discriminates against someone who reports a concern.

Investigations are conducted by an independent investigator, someone who is not directly involved in program operations or in-service provision to ensure an objective evaluation and are independent.

If an investigation uncovers credible evidence of non-compliance, and, after a reasonable inquiry, the CO has reason to believe that the noncompliance may violate a law or regulation, the CO shall report the matter to the CEO and may seek or consult with legal for advice regarding NCHC's reporting obligations. After consulting with the legal, the CO shall report such matters to the Board of Directors during closed session. In addition, NCHC will report to appropriate governmental agencies any violation of law or regulation that requires the return of payments that have already been received and make any necessary refund.

Significant and Compliance events are reported to the Compliance Committee on a regular basis and to the NCCSP Board of Directors on a bi-monthly basis in closed session.

Methods to report are:

| Supervisor |
| Department Director |

Integrity Box	Executive Team
Compliance Officer	Helpline 715.848.4507
Online www.norcen.org/Compliance	Safety Zone Compliance/HIPAA Form

During business hours
- Speak with a member of the Executive Team
- Speak with the Corporate Compliance Officer at 715-848-4507
- Submit a written concern via Integrity Boxes on campus
- Submit a concern via the website at www.norcen.org/Compliance
- Send via email to NCHCCompliance@norcen.org

Outside of regular business hours
- Contact the Administrator on-call at 715-848-4488

Enforcement and Discipline

NCHC follows applicable enforcement of appropriate disciplinary action against employees who have violated internal compliance policies, applicable statutes, regulations, or Federal health care (Medicaid and Medicare) program requirements.

Enforcement & Discipline are applied according to internal policy and procedure and are consistent across the organization regardless of title, rank, or position. Compliance works in partnership with Human Resources and program management to determine appropriate discipline and are documented accordingly in the employee's personnel file and in the corresponding occurrence report.

Communications stress the importance and NCHC's stance that violations of policy/procedure, or laws will not be tolerated.

Response and Prevention

In response to violations or misconduct, and because of review including root cause analysis, the Compliance Program makes changes. Response and prevention include the evaluation of what happened, what should have happened, why the event occurred and how the organization was managing the risk. Response leads to action plans being established to remediate and prevent future occurrences from happening again.

Program Evaluation for Effectiveness

The Department of Justice guidance on evaluation of corporate compliance programs remains focused on three "fundamental questions":

1. "Is the corporation's compliance program well designed?"

2. "Is the program being applied earnestly and in good faith? In other words, is the program adequately resourced and empowered to function effectively?

3. "Does the corporation's compliance program work in practice?"

Factors considered in answering the questions above are related to policy and procedures, training, reporting, and risk assessment. It also is informed by elements of culture, resources, authority, and access to the governing body.

Effectiveness is also measured through use of metrics and outcome indicators decided by the Compliance Committee and maintained by the Compliance Officer. Results are reported to the Compliance Committee and to program management and to the board of directors as necessary. Additional training or action planning to mitigate or reduce risk may be developed in response to metrics.

The effectiveness of the NCHC compliance process itself should be periodically assessed by an external individual. Independent effectiveness audits provide the CO with independent verification that the compliance process itself is being effectively operated and includes the elements necessary to effectively minimize the risk of fraud and abuse. Effective compliance programs supports effective risk management and is essential to improving the program as ongoing assessment supports continuous improvement efforts.

Appendix

United States Sentencing Commission, Guidelines Manual, §3E1.1 (Nov. 2018). In Chapter 8 – Sentencing of Organizations

https://www.ussc.gov/guidelines/2018-guidelinesmanual/2018-chapter-8#NaN

U.S. Department of Justice Criminal Division-. (2020, June). Evaluation of Corporate Compliance Programs.

https://www.justice.gov/criminal-fraud/page/file/937501/download

HCCA-OIG Compliance Effectiveness Roundtable (meeting 2017 January 17). (2017 March 27). Measuring Compliance Program Effectiveness: A Resource Guide

https://assets.hcca-info.org/Portals/0/PDFs/Resources/ResourceOverview/oig-hcca-roundtable.pdf?ver=2017-03-28-062709-153

OIG Work Plan: https://oig.hhs.gov/reports-and-publications/workplan/index.asp

North Central Health Care
Person centered. Outcome focused.

MEMORANDUM

DATE: July 15, 2021
TO: North Central Community Services Program Board Executive Committee
FROM: Jill S. Meschke, Interim Chief Executive Officer
RE: CEO Report – July 2021

The following items are general updates and communications to support the Executive Committee on key activities and/or updates since our last meeting.

COVID-19 Response

As of July 15, we have 2 staff out with symptoms or exposures related to COVID-19. There are currently no positive cases, and no tests pending. We are following CDC guidelines where individuals do not have to quarantine in situations where they have been vaccinated and subsequently exposed to an individual with a known COVID case. There are employees out on leave who did not vaccinate who are still required to quarantine. We continue to require masks of all staff and visitors regardless of their vaccination status.

Currently there are no units at either Mount View or Pine Crest on Enhanced Precautions. Both nursing homes are open for admissions and visitation. Regular testing at Mount View and Pine Crest continues. June was the first month in over a year where admissions were not limited due to Covid-19.

Campus Renovations

The Campus Renovations continue to move forward on schedule. The Nursing Tower is on track for completion July 23. Furniture is anticipated to be in place by the end of August. Resident moves are scheduled and times for employee, neighborhood, and Board tours are being determined.

Construction begins on D wing August 1. A $5 million grant has been approved in the State of Wisconsin budget to aid in the construction of the new behavioral health spaces on the Wausau campus. The process for approval and receipt of these funds is as follows.
- NCHC will seek approval to have the funds granted to Marathon County through submitting a written request to the Secretary of the Building Commission for inclusion on a future agenda explaining how NCHC will meet the criteria defined in State Statute
- Provide plans and specifications on the project to the Wisconsin Division of Facilities Development
- A grant agreement will be written to provide for requirements to be continued after grant funds have been received, including contracting with Forest, Oneida, and Vilas Counties to provide certain services for 10 years
- Provide evidence of payment for construction costs to be reimbursed

2021 Board Work Plan

Objective	Accountability	Start Date	Measure(s) of Success	Interim Updates	Status	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Establish Facility Use Agreements	Board	Jan-20	Signed Facility Use and/or Lease Agreements with each of the three counties	Legacy agreements are in place. The updated base Lease Agreement for Marathon County is near finalization. Supporting Exhibits to the Agreement are still in development.	Open	🟨	🟨	🟨	🟨	🟨							
Prepare Local Plan	Board	Jan-20	Adopt a 3 Year Local Plan at the Annual Board Retreat	The Human Services Research Institute report completion and community engagement will continue to be on hold into 2021 due to COVID-19.	Open	🟨	🟨	🟨	🟨	🟨							
Facilitated Discussion on Diversity and Inclusion	Board	Jul-20	Adopted Diversity, Equity, and Inclusion Plan	An internal employee directed committee will be formed to develop recommendations and a plan to the Board in 2021.	Open	🟨	🟨	🟨	🟨	🟨	🟨	🟨					
Annual Review of Board Policies	Board	Jan-21	Board reviews and approves all Board Policies by December 31	Ongoing, policies are distributed across the 2021 calendar.	Open	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
Approve Training Plan for Counties	Board	Jan-21	Conduct quarterly stakeholder meetings with each of the three county partners	CEO is working to setup quarterly stakeholder meetings with each of the three county partners to provide program updates and seek feedback on service needs.	Open	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
CEO Appraisal	Executive Committee	Jan-21	Executive Committee reviews appraisal with CEO		Closed	🟨	🟨										
Annual Report	Board	Mar-21	Annual Report released and presentations made to County Boards		Open			🟩	🟩	🟩							
Accept the Annual Audit	Board	Apr-21	Acceptance of the annual audit by the NCCSP Board in April	Completed June 24	Closed				🟩								
County Fund Balance Reconciliation	Board	Apr-21	Fund balance presentation and Adoption by NCCSP Board	Completed June 24	Closed				🟩								
Determine Budget Guidelines and Priorities	Executive Committee	Apr-21	Budget guidelines and priorities of the member Counties are communicated to the Board by June 1st	Completed June 24	Closed				🟩	🟩							
Nomination and Election of Board Officers	Board	Apr-21	The Governance Committee will send a slate of Officers to the Board to be elected at the Annual Meeting in May	Completed June 24	Closed				🟩	🟩							
Recommend Annual Budget to Counties	Board	May-21	Budget recommendation to the Counties by October 1st	The draft budget will be presented to the NCHC Board at the October 28 meeting. Recommendations to Counties to occur following that meeting.	Open							🟩	🟩	🟩	🟩		
Annual Review of Board End Statements	Board	May-21	Adoption of End Statements with any modifications by June 1st	Completed June 24	Closed							🟩					
Selection of Independent Certified Public Accounting Firm	Executive Committee	May-21	Engagement Letter approved by Executive Committee by October 1st		Open							🟩	🟩	🟩	🟩		
Evaluate NCCSP Board Effectiveness	Board	Aug-21	Conduct annual review of the effectiveness of Board's Policy Governance Model and provide recommendations to the Board	Scheduled for the October 28 Board meeting	Open									🟩	🟩		
Review and Approve Policy Governance Manual	Board	Aug-21	Approve Policy Governance manual at the September Board meeting	Scheduled for the October 28 Board meeting	Open									🟩	🟩		
Review and Approve Board Development and Recruitment Plan	Governance Committee	Aug-21	Board Development and Recruitment Plan reviewed and approved by the NCCSP Board	Scheduled for the October 28 Board meeting	Open									🟩	🟩		

Objective	Accountability	Start Date	Measure(s) of Success	Interim Updates	Status	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Review and Approve Performance Standards	Executive Committee	Sep-21	Adopt Annual Performance Standards		Open									🟩	🟩	🟩	
Approve Annual Quality and Safety Plan	Board	Oct-21	Approve plan in December	Scheduled for the December 16 meeting	Open										🟩	🟩	🟩
Review CEO Succession Plan	Board	Oct-21	Review and update CEO succession plan	Scheduled for the December 16 meeting	Open										🟩		
Review and Approve CEO Compensation Plan	Executive Committee	Nov-21	Approve CEO Compensation Plan for the upcoming year by December		Open											🟩	🟩
Approve Utilization Review Plan	Board	Nov-21	Approve plan in December	Scheduled for the December 16 meeting	Open											🟩	🟩
Board Development Plan and Calendar	Governance Committee	Nov-21	Approve Board Development Plan and Calendar for the upcoming year at the December meeting		Open											🟩	🟩

DEPARTMENT: NORTH CENTRAL HEALTH CARE								FISCAL YEAR: 2021							

PRIMARY OUTCOME GOAL	⇅	TARGET	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2021 YTD	2020
PEOPLE																
Vacancy Rate	↘	7-9%	6.1%	6.1%	8.6%	10.1%	6.9%	5.8%							7.3%	7.8%
Turnover Rate	↘	20-23% (1.7%-1.95%)	2.8%	2.4%	3.3%	2.9%	2.3%	2.9%							33.3%	N/A
Organization Diversity Composite Index	↗	Monitoring	0.69	0.66	0.67	0.63	0.65	0.68							0.66	N/A
SERVICE																
Patient Experience (Net Promoter Score)	↗	55-61	52.2	73.8	65.6	59.6	60.4	59.6							62.6	61.0
QUALITY																
Hospital Readmission Rate	↘	10-12%	10.8%	14.3%	14.4%	14.4%	9.1%	0.0%							12.2%	11.8%
Nursing Home Readmission Rate	↘	10-12%	10.5%	17.8%	12.8%	10.3%	12.5%	10.0%							12.6%	13.5%
Nursing Home Star Rating	↗	★★★★	★★★	★★★	★★★	★★★	★★★	★★★							★★★	★★★
Zero Harm - Patients	↘	Monitoring	0.84	1.06	0.84	0.85	1.19	0.49							0.88	0.74
Zero Harm - Employees	↘	Monitoring	2.26	2.97	5.94	3.08	3.18	1.21							3.00	2.84
COMMUNITY																
Out of County Placements	↘	230-250	236	140	169	96	143	194							163	269
Client Diversity Composite Index	↗	Monitoring	0.31	0.46	0.47	0.45	0.43	0.43							0.45	N/A
FINANCE																
Direct Expense/Gross Patient Revenue	↘	64-67%	76.8%	70.2%	70.0%	72.0%	73.8%	80.5%							73.8%	72.4%
Indirect Expense/Direct Expense	↘	44-47%	41.3%	34.7%	38.6%	36.9%	37.2%	40.5%							38.0%	39.0%
Net Income	↗	2-3%	-15.7%	0.1%	-6.9%	-5.1%	-7.6%	1.1%							-5.1%	0.4%

↗ Higher rates are positive
↘ Lower rates are positive

DASHBOARD MEASUREMENT OUTCOME DEFINITIONS AND DETAILS

PEOPLE

Vacancy Rate	Monthly calculation: total number of vacant FTE at month end divided by the total authorized FTE as of month end. YTD calculation: Average of each monthly vacancy rate.
Turnover Rate	The monthly rate is determined by the number of separations divided by the average number of employees multiplied by 100. The YTD is the sum of the monthly percentages.
Diversity Composite Index	Monthly calculation: A weighted composite of the diversity of NCHC's workforce, management and Board, relative to the demographics of Marathon Count YTD calculation: Weighted average of each month's Diversity Composite Index rate.

SERVICE

Patient Experience (Net Promoter Score)	Monthly calculation: A weighted average of Net Promoter Score. YTD calculation: Weighted average of each month's Net Promoter Score.

QUALITY

Hospital Readmission Rate	Percent of patients who are readmitted within 30 days of discharge from the Inpatient Behavioral Health hospital for Mental Health primary diagnosis. *Benchmark: American Health Care Association/National Center for Assistive Living (AHCA/NCAL) Quality Initiative*
Nursing Home Readmission Rate	Number of residents re-hospitalized within 30 days of admission to nursing home / total admissions. *Benchmark: American Health Care Association/Centers for Medicare & Medicaid Services (AHCA/CMS)*
Nursing Home Star Rating	Star rating as determined by CMS Standards for both Pine Crest and MVCC.
Zero Harm Patients	Patient Adverse Event Rate: # of actual harm events that reached patients/number of patient days x1000
Zero Harm Employee	Monthly calculation: # of OSHA reportables in the month x 200,000/payroll hours paid within the month. YTD calculation: # of OSHA reportables YTD x 200,000/payroll hours paid YTD.

COMMUNITY

Out of County Placement	Number of involuntary days that patients spend in out of county placements who have discharged in month of report.
Diversity, Equity, and Inclusion Access Equity Gap	Identify number of consumers served and index their demographics against the demographics of service area. An access equity gap will be established base on the variability in matching the community to our service population.

FINANCE

Direct Expense/Gross Patient Revenue	Percentage of total direct expense compared to gross revenue.
Indirect Expense/Direct Revenue	Percentage of total indirect expenses compared to direct expenses.
Net Income	Net earnings after all expenses have been deducted from revenue.

2021 - Primary Dashboard Measure List

↗ Higher rates are positive
↘ Lower rates are positive

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD	2020
North Central Health Care	People	Vacancy Rate	↘	7-9%	5.8%	7.3%	7.8%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	2.9%	33.3%	N/A
		Organization Diversity Composite Index	↗	Monitoring	0.68	0.66	N/A
	Service	Patient Experience (Net Promoter Score)	↗	55-61	59.6	62.6	61.0
	Quality	Hospital Readmission Rate	↘	10-12%			11.8%
		Nursing Home Readmission Rate	↘	10-12%	10.0%	12.6%	13.5%
		Nursing Home Star Rating	↗	★★★★	★★★	★★★	★★★
		Zero Harm - Patients	↘	Monitoring			0.74
		Zero Harm - Employees	↘	Monitoring	1.21	3.00	2.84
	Community	Out of County Placements	↘	230-250			269
		Client Diversity Composite Index	↗	Monitoring			/
	Finance	Direct Expense/Gross Patient Revenue	↘	64-67%	80.5%	73.8%	72.4%
		Indirect Expense/Direct Expense	↘	44-47%	40.5%	38.0%	39.0%
		Net Income	↗	2-3%	1.1%	-5.1%	0.4%

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Adult Community Treatment	People	Vacancy Rate	↘	7-9%	4.3%	5.1%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	4.7%	28.0%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	100.0*	70.0
	Quality	Zero Harm - Patients	↘	Monitoring		
		% of Treatment Plans Completed within Required Timelines	↗	96-98%		
		Employment rate of Individual Placement and Support (IPS) Clients	↗	46-50%		
	Community	% of Eligible CCS and CSP Clients Admitted within 60 Days of Referral	↗	60-70%		
		Average Days from Referral to Initial Appointment	↘	55-60 days		
		Hospitalization Rate of Active Patients	↘	Monitoring		
	Finance	Direct Expense/Gross Patient Revenue	↘	86.7-90.2%	94.4%	76.9%
		Net Income	↗	$10,457-$15,686 Per Month	$2,115	$82,780

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Adult Crisis Stabilization CBRF	People	Vacancy Rate	↘	5-7%	0.0%	1.0%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	33.1%
	Service	Patient Experience (Net Promoter Score)	↗	42-47	33.3*	49.0
	Quality	Zero Harm - Patients	↘	Monitoring		
		% of Patients who kept their Follow-up Appointment	↗	90-95%		
	Community	% of Patients Admitted within 24 hours of Referral	↗	90-95%		
	Finance	Direct Expense/Gross Patient Revenue	↘	30.9-32.2%	45.3%	56.2%
		Net Income	↗	$1,747-$2,620 Per Month	$4,556	($9,146)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Adult Inpatient Psychiatric Hospital	People	Vacancy Rate	↘	7-9%	8.7%	6.1%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	2.4%	40.1%
	Service	Patient Experience (Net Promoter Score)	↗	42-47	21.7*	40.5
	Quality	Zero Harm - Patients	↘	Monitoring		
		Hospital Readmission Rate	↘	10-12%		
		Average Days for Initial Counseling Appointment Post-Hospital Discharge	↘	8-10 days		
		Average Days for Initial Psychiatry Appointment Post-Hospital Discharge	↘	8-10 days		
		Average Days since previous Detox Admission	↗	330-360 days		
	Community	Out of County Placements	↘	150-170		
	Finance	Direct Expense/Gross Patient Revenue	↘	78.2-81.4%	90.0%	93.7%
		Net Income	↗	$13,382-$20,073 Per Month	($80,010)	($118,029)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Aquatic	People	Vacancy Rate	↘	5-7%	9.1%	5.9%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	37.2%
	Service	Patient Experience (Net Promoter Score)	↗	83-87	100.0*	85.7
	Quality	Zero Harm - Patients	↘	Monitoring		
	Finance	Direct Expense/Gross Patient Revenue	↘	43.8-45.6%	70.5%	69.9%
		Net Income	↗	$2,174-$3,261 Per Month	($22,386)	($16,333)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Clubhouse	People	Vacancy Rate	↘	5-7%	0.0%	0.0%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	0.0%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	73.3*	84.9
	Quality	Average Attendance Per Work Day	↗	20-25	22	19
		% of Members Working 15 or More Hours Per Month	↗	80-85%	29.1% (23/79)	19.2%
	Community	Active Members Per Month	↗	110-120	79	94
	Finance	Direct Expense/Gross Patient Revenue	↘	58.6-61.0%	150.3%	79.0%
		Net Income	↗	$536-$804 Per Month	($13,941)	($4,257)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Crisis and Emergency Services	People	Vacancy Rate	↘	7-9%	10.7%	6.6%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	7.7%	31.0%
	Service	Patient Experience (Net Promoter Score)	↗	42-47	/	28.6
	Quality	Zero Harm - Patients	↘	Monitoring		
		% of Crisis Asessments with Documented Linkage and Follow-up within 24 hours	↗	70-75%		
		Avoid Hosptializations (NCHC and Diversions) with a length of stay of less than 72 hours	↘	5-10%		
	Community	Out of County Placements Days	↘	230-250		
		Court Liasion: % of Eligible Individuals with Commitment and Settlement Agreements who are Enrolled in CCS or CSP witihn 60 days	↗	80-85%		
	Finance	Direct Expense/Gross Patient Revenue	↘	167.6-174.4%	118.2%	234.8%
		Net Income	↗	$5,370-$8,055 Per Month	($31,034)	($15,730)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Day Services	People	Vacancy Rate	↘	7-9%	3.6%	1.8%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	14.5%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	88.9*	94.7
	Quality	Zero Harm - Patients	↘	Monitoring		
	Finance	Direct Expense/Gross Patient Revenue	↘	89.3-92.9%	95.0%	104.6%
		Net Income	↗	$5,103-$7,654 Per Month	($46,290)	($53,026)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Group Homes	People	Vacancy Rate	↘	7-9%	0.0%	4.4%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	49.2%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	100.0*	81.3
	Quality	Zero Harm - Patients	↘	Monitoring		
	Finance	Direct Expense/Gross Patient Revenue	↘	66.3-69.0%	74.2%	73.4%
		Net Income	↗	$2,939-$4,408 Per Month	$18,216	$25,145

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Mount View Care Center	People	Vacancy Rate	↘	7-9%	5.5%	12.9%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	1.8%	34.5%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	40.0*	54.7
	Quality	Nursing Home Readmission Rate	↘	10-12%	5.3%	8.3%
		Zero Harm - Residents	↘	Monitoring	0.26	2.51
		Nursing Home Quality Star Rating	↗	★★★★	★★★	★★★
	Community	Referral Conversion Rate	↗	N/A	N/A	N/A
	Finance	Direct Expense/Gross Patient Revenue	↘	55.5-57.7%	87.5%	68.1%
		Net Income	↗	$30,636-$45,954 Per Month	$320,643	($62,932)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Outpatient Services	People	Vacancy Rate	↘	7-9%	0.0%	3.1%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	5.6%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	66.7*	68.6
	Quality	Zero Harm - Patients	↘	Monitoring		
		Average Days for Initial Counseling Appointment Post-Hospital Discharge	↘	8-10 days		
		Average Days for Initial Psychiatry Appointment Post-Hospital Discharge	↘	8-10 days		
		Day Treatment Program Completion Rate	↗	40-50%		
		OWI - 5 Year Recidivism Rate	↘	13-15%		
	Community	Same Day Cancellation and No-Show Rate	↘	15-18%		
		% of Patients Offered an Appointment within 4 Days of Screening by a Referral Coordinator	↗	20-25%		
		Post-Jail Release Access Rate (Within 4 Days of Release)	↗	20-25%		
		Average Number of Days from Referral to Start of Day Treatment	↘	16-20 days		
		Hospitalization Rate of Active Patients	↘	Monitoring		
	Finance	Direct Expense/Gross Patient Revenue	↘	93.4-97.2%	84.7%	115.3%
		Net Income	↗	$12,534-$18,802 Per Month	($3,241)	$115

Department	Domain	Outcome Measure	⇅	Target Level	Current Month	Current YTD
Pine Crest Nursing Home	People	Vacancy Rate	↘	7-9%	6.5%	11.8%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	3.2%	45.2%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	45.5*	42.2
	Quality	Zero Harm - Residents	↘	Monitoring	0.36	3.40
		Nursing Home Readmission Rate	↘	10-12%	14.3%	17.4%
		Nursing Home Quality Star Rating	↗	★★★★	★★★	★★★
	Community	Referral Conversion Rate	↗	N/A	N/A	N/A
	Finance	Direct Expense/Gross Patient Revenue	↘	57.0-59.3%	99.1%	69.3%
		Net Income	↗	$20,559-$30,839 Per Month	($135,139)	($152,358)

Department	Domain	Outcome Measure	⇅	Target Level	Current Month	Current YTD
Riverview Terrace (RCAC)	People	Vacancy Rate	↘	7-9%	20.0%	6.5%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	40.0%	136.9%
	Quality	Zero Harm - Patients	↘	Monitoring		
	Finance	Direct Expense/Gross Patient Revenue	↘	N/A	0.0%	0.0%
		Net Income	↗	$582-$873 Per Month	$2,877	$6,503

Department	Domain	Outcome Measure	⇅	Target Level	Current Month	Current YTD
Supported Apartments	People	Vacancy Rate	↘	7-9%	12.5%	7.9%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	5.6%	12.3%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	100.0*	81.8
	Quality	Zero Harm - Patients	↘	Monitoring		
	Finance	Direct Expense/Gross Patient Revenue	↘	38.5-41.0%	48.3%	42.2%
		Net Income	↗	$3,364-$5,046 Per Month	($49,633)	($35,041)

Department	Domain	Outcome Measure	⇅	Target Level	Current Month	Current YTD
Youth Community Treatment	People	Vacancy Rate	↘	7-9%	2.6%	3.1%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	19.1%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	/	93.3
	Quality	Zero Harm - Patients	↘	Monitoring		
		% of Treatment Plans Completed within Required Timelines	↗	96-98%		
	Community	% of Eligible CCS and CSP Clients Admitted within 60 Days of Referral	↗	60-70%		
		Average Days from Referral to Initial Appointment	↘	55-60 days		
		Hospitalization Rate of Active Patients	↘	Monitoring		
	Finance	Direct Expense/Gross Patient Revenue	↘	77.2-80.4%	90.2%	71.8%
		Net Income	↗	$14,139-$21,208 Per Month	($98,339)	$69,239

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Youth Crisis Stabilization Facility	People	Vacancy Rate	↘	5-7%	N/A	N/A
		Turnover Rate	↘	20-23% (1.7%-1.9%)	N/A	N/A
	Service	Patient Experience (Net Promoter Score)	↗	42-47	N/A	N/A
	Quality	Zero Harm - Patients	↘	Monitoring	N/A	N/A
		% of Patients who kept their Follow-up Outpatient Appointment	↗	90-95%	N/A	N/A
		% of Patients Admitted within 24 hours of Referral	↗	90-95%	N/A	N/A
	Finance	Direct Expense/Gross Patient Revenue	↘	127-130%	N/A	N/A
		Net Income	↗	$1,692-$2,538 Per Month	N/A	N/A

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Youth Psychiatric Hospital	People	Vacancy Rate	↘	7-9%	14.3%	4.8%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	30.8%
	Service	Patient Experience (Net Promoter Score)	↗	42-47	100.0*	77.8
	Quality	Zero Harm - Patients	↘	Monitoring		
		Hospital Readmission Rate	↘	10-12%		
		Average Days for Initial Counseling Appointment Post-Hospital Discharge	↘	8-10 days		
		Average Days for Initial Psychiatry Appointment Post-Hospital Discharge	↘	8-10 days		
	Community	Out of County Placements	↘	50-60		
	Finance	Direct Expense/Gross Patient Revenue	↘	61.8-64.4%	89.4%	82.9%
		Net Income	↗	$4,973-$7,459 Per Month	($70,450)	($65,892)

Dashboard Executive Summary
July 2021

Organizational Dashboard Outcomes

People

❖ **Vacancy Rate**

The Vacancy Rate target range for 2021 is 7.0-9.0%. June marks the second month in a row we met our vacancy target with a rate of 5.8% and a year-to-date average of 7.3%. We anticipate with the recent wage changes that vacancy rate will continue to trend in the right direction as application flow has increased significantly and turnover has slowed down.

❖ **Turnover**

Turnover is a new metric for 2021, replacing retention rate. The reason for the change was to be able to benchmark our organization with industry standard metrics. Our target for 2021 is 20-23% annualized. In June, we experienced a rate of 2.9% which was above target at projected annual rate of 33.3%.

❖ **Organization Diversity Composite Index**

Organization diversity composite index is a new monitoring metric for 2021 and does not have a target. We experienced a score of 0.68 for June which is calculated as a weighted composite of the diversity of NCHC's workforce, management, and Board, relative to the demographics of Marathon County. An index score of 1.0 indicates that our workforce matches the community demographics, an index score below 1.0 indicates that there is a gap. We are working to develop an overall Diversity and Inclusion strategy for our workforce to improve this index rate.

Service

❖ **Patient Experience (Net Promotor Score)**

For 2021, we are measuring patient experience using net promotor score or NPS. Net promotor score is used in the industry to measure and predict customer loyalty based on one survey question, "Likelihood to Recommend." Our target for 2021 is set at 55-61. For the month June, we met our target at 59.6 remaining steady with a YTD score of 62.6 which continues to exceed target. Returns dipped just slightly therefore all programs will continue with their action plans to continue to improve response rate. Programs that are not meeting their NPS target or seeing returns are working on improvements to favorably target this measure.

Quality

❖ **Hospital Readmission Rate**

The Readmission Rate is the percentage of patients who are re-hospitalized within 30 days of admission from the inpatient behavioral health hospital for patients with mental illness as primary diagnosis. For the first time this year, June's readmit rate was 0.0% for both hospitals. Efforts in both hospitals appears to be yielding positive results.

❖ **Nursing Home Readmission Rate**
The nursing home readmission rate is based on the number of residents re-hospitalized within 30 days of admission to the nursing home. The combined rate for June between the two facilities was a readmission rate of 10.0% which is right at our target of 10 to 12%. Our annual trending rate is 12.6% which is lower than that of 2019 at 13.5%.

❖ **Nursing Home Star Rating**
We have a target of 4 stars for both buildings using the Nursing Home Star Rating as determined by CMS standards. The current quality star rating for MVCC and Pine Crest is 3 stars. Both facilities are meeting target for short-term stays at 4 stars but under target for long-term at 3 stars. A direct focus on long-term care residents is occurring with top target areas including psychotropic medications, falls, and readmission rate. MVCC did have a strong annual survey which will reflect on quarter 3 updates to the nursing home compare website.

❖ **Zero Harm – Patient**
The Zero Harm indicators are a monitoring measure for the organization meaning that we do not set a target, instead we monitor trending data. The Patient Adverse Event Rate is calculated by the number of actual harm events that reached patients/number of patient days x 1,000. For the month of June, we saw this drop from May's rate of 1.19 to just 0.49, the lowest so far this year for YTD of .88. Falls with injury as well as suicide attempts are the main contributor to this rate and are being targeted through various prevention methods.

❖ **Zero Harm – Employees**
Zero Harm remains a monitoring metric with an experience rate of 1.21 for the month of June. Continued efforts remain for reducing employee injury with the most recent events being related to transferring or individuals served. Learning & Development has rolled out an organizational training to direct care workers to improve proper lifting and transferring techniques. Proper ergonomics and safety efforts continue to be a part of our new hire orientation.

Community
❖ **Out of County Placements**
For 2021, the target for this measure is 230-250. For the month of June, we had 194 total days which is within target. Efforts surrounding diversions are continuing to be effective as this number remains favorable.

❖ **Consumer Diversity Composite Index**
The Consumer Diversity Composite Index is a new metric and does not have a target as it is a monitoring metric. We experienced an index of 0.43 for May which is calculated as a weighted composite of the diversity of NCHC's consumers (patients, residents, consumers, and clients, relative to the demographics of Marathon County. A score of 1.0 would mean that the consumers we serve reflect the demographics of our community, a score below 1.0 indicates we have a gap to close to become more diverse.

Finance
❖ **Direct Expense/Gross Patient Revenue**
This measure looks at percentage of total direct expense to gross patient revenue which is a productivity/efficiency measure. The 2021 target is 64-67%. This measure for June is 80.1%. This outcome is not within target range. The primary driver for the unfavorable result is gross revenue being under budget further than direct expense which strains how much we capture per each dollar of revenue.

❖ **Indirect Expense/Direct Expense**
Indirect Expense/Direct Expense is the percentage of total indirect expenses compared to direct expenses. The 2021 target is 44-47%. The outcome for June is 40.5%, which is favorable to the target. Support areas are below budget expense targets and are helping to alleviate operating losses.

❖ **Net Income**
Net Income is the net earnings after all expenses have been deducted from revenue. The target for 2021 is 2-3%. In June, the result is 1.1%. Net patient revenue unfavorability from budget is driving overall shortfalls from budget.

Program-Specific Dashboard Outcomes - *items not addressed in analysis above.*

The following outcomes reported are measures that were not met target (red) at the program-specific level for the month. The 2021 YTD indicator may be red but if there is no narrative included in this report, that means the most recent month was back at target while the YTD is not. They do not represent all data elements monitored by a given department/program, only the targets that were not met for the month.

Behavioral Health Services Programs

❖ **Adult Community Treatment:**
Turnover: The result for June was 4.7% with a monthly target of 1.7%-1.9%. To achieve the annual target of 20-23%. The YTD result is 28.0%. There is one voluntary termination at the manager position. The individual found another opportunity within the community. The second termination was a retirement from the mental health tech position after many years of service.

Direct Expense/Gross Patient Revenue: The result for June is 94.4% and YTD result is 76.9%. Expenses are being managed and are under budget. Revenue is lower than target. The training leading to Cerner Go Live and implementation as well as decreased productivity due to learning a new system have had a negative impact on productivity.

Net Income: The result for June is $2,115 and YTD result is $82,780. Expenses are being managed and are under budget. Revenue is lower than target. The training leading to Cerner Go Live and implementation as well as decreased productivity due to learning a new system have had a negative impact on productivity.

❖ **Adult Crisis Stabilization CBRF:**
Patient Experience: This measure did not meet target in June at 33.3%, based on 6 surveys returned. Clients consistently want more staff interaction and activities. The new operations manager and clinical coordinator have met with staff one-on-one to discuss client interaction expectations and will be developing an updated unit schedule.

Direct Expense/Gross Patient Revenue: This was over the budgeted ratio, continuing to reflect budgeted expected revenue for a 12-bed unit. Also, it was found during this month's payroll the two staff who HR was to have moved over to the hospital program in February/March, as they were MMT staff who were re-positioned into open budget positions, are still being charged to the Crisis Stabilization unit. HR has now re-confirmed that the individuals are in the correct budget.

❖ **Adult Inpatient Psychiatric Hospital:**
Turnover: The June turnover rate remained at 2.4%. One RN resigned unexpectedly the night before his shift, citing discomfort and stress with the BHS patient population and desire to working long-term care. Nursing leadership had met with him to discuss any support needed after he struggled emotionally after a medical emergency on the unit, including offering EAP services. Recruitment has improved some, with the BHT who graduated with her nursing degree coming out of orientation and taking an RN position in July.

Patient Experience: The patient experience score was 21.7 for June, with 23 surveys returned, still indicating a need for score improvement. There were many positive comments and comments reflecting needs/frustrations include no sunlight/outdoor area, the meals, staff communication. Improvement measures will include continually increasing unit activities and working with staff on customer service.

Direct Expense/Gross Patient Revenue: This measure was at 90% for June, with Direct Expenses for June $55,506 being less than budgeted which is positive, however Gross Patient Revenue was $85,000 less than budgeted. Leadership will work with Accounting to determine the monthly discrepancy in expected patient revenue, the continued lower average census from years prior to COVID, and any remaining solutions for "No Roommate" statuses causing diversions, although the shared rooms and patient illness severity upon admission will make this challenging until renovations provide single rooms.

Net Income: Net income was ($80,010), not meeting the dashboard target, however doing well compared to the budgeted monthly loss of ($122,637) resulting in a positive variance for the month of $42,637 and positively affecting the YTD overall loss of ($60,542). A loss in Net Patient Revenue of ($5756), overtime due to open RN positions/staying over resulted in ($6281), call time for last-minute openings (last-minute call-ins have been an issue, as well as the last-minute resignation by one RN) at ($3476), and Administrative Write-offs of ($14,321) contributed to not meeting dashboard target. The write-offs will be researched to determine why this was so high for June.

❖ **Aquatic Services**
Vacancy Rate: Aquatics opened a lifeguard position in March to accommodate a growing census and opening to the public. This position was filled initially, and the candidate has chosen to not relocate to the Wausau area, recruitment for the position continues.

Net Income: Program was off target with a loss of ($22,386) on a target of $3,364. Revenue is the major factor for the variance with all expenses at or exceeding target. Mask mandates were a challenge in June with several local pools opening without mask restrictions. We have begun a trial of no masks for members in our aquatics program as result.

❖ **Clubhouse:**
Percentage of Members Working 15 or more Hours Per Month: The result for June was 29.1% of our members working 15 hours or more. This was calculated by taking our monthly attendance of 79 unduplicated and dividing by 23 members for the month of June that attended and are working 15 hours or more. We continue to receive referrals for members that have employment goals and work together with DVR to help secure members employment.

Active Members per month: The result for June is 79 and YTD result is 94. While the result remains below target there was an increase from May. We continue to attempt and offer mobile reach-out. We had 9 returning members, 7 referrals, 2 tours, 2 new members and 17 members went to an inactive status.

Direct Expense/Gross Patient Revenue: The result for June is 150.3% and YTD result is 79.0%. Expenses are being managed and are under budget. Revenue is lower than target. Actions are in place to increase attendance and active members per month to increase revenue.

Net Income: The result for June is ($13,941) and YTD result is ($4,257). Expenses are being managed and are under budget. Revenue is lower than target. Actions are in place to increase attendance and active members per month to increase revenue.

❖ **Crisis & Emergency Services**
Vacancy: The vacancy rate for Crisis Services in June was 10.7%. The transport position opened, as the transport worker is finishing her bachelor's degree soon and accepted a Crisis Professional position. Two Crisis Professionals were terminated in June for not meeting NCHC Core Values in their treatment of a client struggling with alcohol addiction and failing to document their contact with the client. One Master's level Crisis Professional is orienting and doing well. An offer is being extended to a bachelor's level candidate interviewed in early July.

Turnover: This rate of 7.7% for June reflects the two employee terminations. Current projects to increase staff support include implementation of targeted supervision topics monthly and re-designed staff 1:1 format to promote increased support and professional growth.

Patient Experience: The Crisis program had no survey returns in June. This occurs more months that not and is largely due to the information being sent out post-encounter, due to the nature of the encounter given we wouldn't ask for feedback during or immediately after a mental health crisis. Cerner implementation will encourage patient portals that could encourage increase in responses, although barriers continue to be homelessness/transience of many clients/patients preventing mailed survey success. The team will investigate whether there could be follow-up via phone/in-person encouragement down the road with linkage & follow-up.

Percentage of Crisis Assessments with Documented Linkage and follow up within 24 hours: This rate was 47.3% in June, not meeting target. However, the Clinical Coordinator and BHS Acute Care Director tracked this daily throughout May to ensure follow-up call completion by the Crisis team. They were just under 100% in compliance with completing daily follow-up calls, with only two days that had some calls not made until the next morning. In investigating, what appears to be occurring is that in our protocols that the workers try again if they don't reach an individual, and with unpredictable crisis client volume, some calls are being made past the exact 24-hour mark but were in fact made. This will be investigated more thoroughly to determine if modifications need to be made on the data capturing end, or the crisis process end. We have implemented the daily auditing, however, need to modify the process additionally to determine if there is a way to still ensure call completion during high client volume times.

Net Income: Net income for the Crisis program was ($31,034). Overtime and call time account for $7500 of the loss, largely accounting for the loss past the budgeted Net Income of ($21,482).

❖ **Adult Day Services**

Net Income: May experienced a loss of ($46,290) in large part due to continued challenges with attendance. We have seen almost full membership return but rates of participation are down almost 50 percent due to Covid-19 distancing restrictions. We are implementing physical barriers and adjusting procedures to increase the number of members allowed at a time.

❖ **MVCC**
Patient Experience: Our net promotor score in June was below our 55-61 target at 40.0. The unfavorable comments are related to environmental factors such as noise level and shared bathrooms. This will improve with our transition to the new tower in September. Activities has been an area that has scored lower as well. We recently started facilitating small group activities and will be starting up community outings again which should help improve the satisfaction scores.

Nursing Home Quality Star Rating: Nursing Home Quality Star Rating for Mount View is a 3 Star with a target goal of 4 stars. The biggest opportunity for improvement appears to be in our long term stays and is specific to antipsychotics and activities of daily living. With COVID, we had several residents that were moving less and not leaving their rooms like they used to which triggered change in conditions. With the increased visitations, small group activities and nice weather, we should see this improve as residents are getting out of their room more. The antipsychotic is related to our large population of dementia residents and mental illness.

❖ **Outpatient Services**
Same Day Cancellation and No-Show Rate: The result for June was 18.4% with the YTD result of 17.3%. After a spike in May, the rate is coming back down but remains outside the target. We will continue to follow the no show policy and monitor to ensure we can get back within the target range on a consistent basis.

OWI Recidivism Rate: The result for June is 21.4% and YTD result is 12.7%. This will be monitored to determine if the spike is a seasonal increase or if there are other factors. The YTD result continues to exceed the target.

Net Income: The result for June is ($53,700) and YTD result is $115. Expenses are being managed and are under budget. Revenue is lower than target. The training leading to Cerner Go Live and implementation as well as decreased productivity due to learning a new system have had a negative impact on productivity.

❖ **Pine Crest**
Turnover: Turnover trended slightly upward month over month with an experienced rate of 3.2% on a targeted range of 1.7% - 1.9%. Four positions termed; two hospitality assistants leaving to pursue opportunities outside of health care, one C.N.A. to pursue a role as medical assistant (MA), and one occasional C.N.A. who has not picked up in several months. We do anticipate hiring back the C.N.A. who pursued an opportunity as a MA, as they appreciate the environment at Pine Crest as compared to their new employer. Continued progress has been experienced in C.N.A. recruitment efforts as we work to fill the remaining vacancies.

Patient Experience: Eleven survey responses were received during the month with a resulting net promoter score of 45.5 on a target of 55-61. No significant concerns were identified in the survey findings. One continued concern continues to be food service, which has been consistent throughout the pandemic due to reliance on room trays. Program will continue to audit room trays to ensure for appropriate appearance, taste, and temperature.

Nursing Home Readmission Rate: Rates trended slightly up for the month of June with an experienced rate of 14.3% on a range of 10%-12%. Four transfers occurred during the month with none being identified as preventable. Rehospitalizations continue to be assessed monthly to identify areas of opportunity for improvement.

Nursing Home Quality Star Rating: The quality star rating remained unchanged month over month, being at a 3 star. Long-term quality measures continue to bring this component of our star rating down. Quality assurance work processes that had been established will continue, to address the metrics not meeting appropriate benchmarks as compared to state and national averages. Next star rating update will occur in late July.

Net Income: The program experienced a loss of ($135,139) for the month of June. This can be largely attributed to census below target of 100 due to continued impacts of Covid-19 and limited admissions.

❖ **River View Terrace (RCAC):**
Vacancy: Turnover for June was high with low applicant pools. Wage bands have been adjusted and posted externally increasing applicant flow.

Turnover: Like vacancy rate, high turnover resulted from increased wages throughout our community and low unemployment rates. We have adjusted pay bands and implemented action plans to address staff issues and concerns including monthly staff meetings.

❖ **Supported Apartments**
Vacancy: Low applicant pools continue because of a state and local workforce shortage. Media campaigns have been launched to improve applicant flow.

Turnover: Individual apartment meetings have been set up to discuss with staff opportunities to stay with the organization and improve employee satisfaction. Results from these meetings will begin in July and August with expected impact in September.

Net Income: May experienced a loss of ($49,633) which was off target. Apartment vacancies in Jelinek and Forest/Jackson continue to impact net income with lost revenue. Forest/Jackson is projected to continue to decline while environmental issues are addressed.

❖ **Youth Community Treatment:**
Patient Experience: There were no returned surveys for the month of June so there is no result. The YTD result remains above target at 93.3. We continue to hand out surveys and encourage consumers to complete the surveys.

Direct Expense/Gross Patient Revenue: The result for June is 90.2% and YTD result is 71.8%. Expenses are being managed and are under budget. Revenue is lower than target. The training leading to Cerner Go Live and implementation as well as decreased productivity due to learning a new system have had a negative impact on productivity.

Net Income: The result for June is ($98,339) and YTD result is $69,239. Expenses are being managed and are under budget. Revenue is lower than target. The training leading to Cerner Go Live and implementation as well as decreased productivity due to learning a new system have had a negative impact on productivity.

❖ **Youth Crisis Stabilization Facility:**
 Opening of this facility is pending approval and site visit from DHS.

❖ **Youth Psychiatric Hospital:**
Vacancy: Youth Hospital's vacancy rate in June was 14.3%. This is a result of open nurse and CAN positions. There is a .9 FTE and .3 FTE nurse positions and a .3 CNA position vacant. Internal moves into these positions did not go as planned in June leaving positions open. The Youth Acute Care director position is also posted and recruitment efforts are underway.

Direct Expense to Gross Patient Revenue and Net Income: These measures not meeting target are a direct result of not meeting revenue targets as expenses have been under budget. Youth Hospital needs to maintain a census of 6 kids to generate budgeted revenue. June's average daily census was the lowest to date at 2.9. To increase average census further, we are pursuing and two specific actions. We are working towards accepting youth ages 12-17 versus 13-17.   A plan for this has been established and expected to begin in August. Secondly, we plan to expand our service area to include additional counties so that we can accept youth from other counties when our census is low. An agreement has been developed by Corporation Counsel and an invitation to enter into an agreement has been sent to neighboring counties.

North Central Health Care
Person centered. Outcome focused.

MEMORANDUM

DATE: July 22, 2021
TO: North Central Community Services Program Board
FROM: Jill S. Meschke, Chief Financial Officer
RE: Monthly CFO Report

The following items are general updates and communication to support the Board on key activities and/or updates of financial activity since our last meeting.

1) **Financial Results:**
   The financials show a gain for June of $80,457. Year-to-date, NCHC has experienced a loss of ($2,057,451) compared to a targeted gain of $203,320 resulting in a negative variance to budget of ($2,260,771).

2) **Revenue Key Points:**
   - Overall revenue was above budgeted target by $62,975 in June. Net patient revenue was unfavorable to plan by ($1,228,645). Year-to-date, revenue is short of plan by ($4,338,867).
   - Mount View Care Center averaged a census of 127 in June respectively compared to a target of 145. This census is down from prior months. The Medicare census averaged 12 per day in in June compared to a target of 19. The Medicaid Vent census has increased from 10 in May to 11 in June. Revenue shortfalls from plan are a mix of volume and rate by missing targets in both overall census and Medicare.
   - Mount View with a ($1,190,347) year-to-date net patient revenue unfavorable variance represents 22 percent of the overall year-to-date net patient revenue unfavorable variance and 1 percent of the total revenue year-to-date variance.
   - Pine Crest Nursing Home averaged a census of 91 in June respectively compared to a target of 100. This is slightly below prior months. The Medicare census averaged 9 per day in June compared to a target of 16. Revenue shortfalls from plan are a mix of volume and rate by missing targets in both overall census and Medicare.
   - Pine Crest with a ($190,974) year-to-date net patient revenue unfavorable variance represents 4 percent of the overall year-to-date net patient revenue unfavorable variance. Pine Crest has a year-to-date favorable revenue variance of $289,408.
   - The FY2021 Supplemental Award balance was received for Mount View Care Center and Pine Crest Nursing Home in June and was higher than had been accrued year-to-date. Notice of the Certified Public Expenditure funds was also received in June and will be recognized through the remainder of the year. These two items added an unbudgeted $1,041,272 of revenue in June.

- The Adult Acute Care Hospital census averaged 13 in June to a budget of 14, which is an increase over prior months. The hospital combined with the Adult Crisis Stabilization Facility have a net revenue shortfall from budget of ($461,888) year-to-date and represent 8 percent of the overall year-to-date net patient revenue unfavorable variance and 10 percent of the total revenue year-to-date variance.
- The Youth Acute Care Hospital census averaged 3 in June compared to a target census of 6 resulting in a negative net patient revenue variance of ($240,298) year-to-date.
- The inability to open the Youth Crisis Stabilization Facility contributed ($166,902) to the net patient revenue shortfall from budget.
- Net patient revenue for Outpatient and Community Treatment was short from plan by ($1,318,356) year-to-date.
- Administrative and bad debt write offs totaled ($26,849) for June.

3) **Expense Key Points:**
- Overall expenses were favorable to plan $95,088 in June.
- Salaries are $220,032 favorable to budget in June. Benefits expenses are favorable to plan by $895,843 year-to-date driven by health insurance favorability of $740,158.
- Contracted services of providers and staff are favorable to plan by $241,051 year-to-date. This is expected to continue to be favorable as newly hired physicians onboard.
- Diversion expense is $50,575 favorable to plan in June and ($342,893) unfavorable to plan year-to-date.

North Central Health Care
Income Statement
For the Period Ending June 30, 2021

	MTD Actual	MTD Budget	$ Variance	% Variance	YTD Actual	YTD Budget	$ Variance	% Variance
Direct Revenues								
Patient Gross Revenues	6,642,108	8,227,158	(1,585,050)	-19.3%	41,955,011	49,551,973	(7,596,962)	-15.3%
Patient Contractual Adjustments	(2,530,659)	(2,887,063)	356,405	-12.3%	(15,095,992)	(17,389,820)	2,293,828	-13.2%
Net Patient Revenue	4,111,450	5,340,095	(1,228,645)	-23.0%	26,859,019	32,162,153	(5,303,134)	-16.5%
County Revenue	427,764	427,764	-	0.0%	2,566,585	2,566,585	-	0.0%
Contracted Service Revenue	91,698	100,823	(9,125)	-9.1%	623,009	616,199	6,810	1.1%
Grant Revenues and Contractuals	223,553	333,635	(110,082)	-33.0%	1,702,427	2,002,545	(300,118)	-15.0%
Appropriations	502,687	502,687	-	0.0%	3,016,122	3,016,122	-	0.0%
COVID-19 Relief Funding	-	-		0.0%	26,750	-	26,750	0.0%
Other Revenue	1,993,485	552,481	1,441,004	260.8%	4,547,213	3,316,388	1,230,824	37.1%
Total Direct Revenue	7,350,637	7,257,486	93,151	1.3%	39,341,125	43,679,992	(4,338,867)	-9.9%
Indirect Revenues								
County Revenue	170,209	171,802	(1,593)	-0.9%	1,021,252	1,030,811	(9,559)	-0.9%
Contracted Service Revenue	2,250	3,000	(750)	-25.0%	13,500	18,000	(4,500)	-25.0%
Grant Revenues and Contractuals	-	-	-	0.0%	31,900	-	31,900	0.0%
Appropriations	-	-	-	0.0%	-	-	-	0.0%
Other Revenue	20,132	36,567	(16,435)	-44.9%	204,500	270,420	(65,920)	-24.4%
Allocated Revenue	-	-	-	0.0%	-	-	-	0.0%
Total Indirect Revenue	181,193	211,369	(30,176)	-14.3%	1,256,854	1,319,231	(62,378)	-4.7%
Total Operating Revenue	7,531,830	7,468,854	62,975	0.8%	40,597,978	44,999,223	(4,401,245)	-9.8%
Direct Expenses								
Personnel Expenses	3,382,715	3,494,627	111,913	3.2%	19,459,185	20,557,084	1,097,900	5.3%
Contracted Services Expenses	1,015,925	905,358	(110,566)	-12.2%	5,138,601	5,388,584	249,983	4.6%
Supplies Expenses	60,623	56,311	(4,312)	-7.7%	415,288	347,936	(67,352)	-19.4%
Drugs Expenses	487,857	453,337	(34,519)	-7.6%	3,049,856	3,114,382	64,526	2.1%
Program Expenses	64,778	73,300	8,522	11.6%	409,056	436,597	27,541	6.3%
Land & Facility Expenses	69,701	71,083	1,382	1.9%	402,485	421,695	19,210	4.6%
Equipment & Vehicle Expenses	55,207	62,803	7,596	12.1%	305,433	410,279	104,846	25.6%
Diversions Expenses	28,925	79,500	50,575	63.6%	819,893	477,000	(342,893)	-71.9%
Other Operating Expenses	157,445	171,980	14,535	8.5%	971,264	1,043,643	72,379	6.9%
Total Direct Expenses	5,323,176	5,368,300	45,124	0.8%	30,971,061	32,197,200	1,226,139	3.8%
Indirect Expenses								
Personnel Expenses	1,183,415	1,162,944	(20,471)	-1.8%	6,539,313	6,844,784	305,471	4.5%
Contracted Services Expenses	6,600	3,500	(3,100)	-88.6%	56,228	21,000	(35,228)	-167.8%
Supplies Expenses	73,308	98,090	24,782	25.3%	424,955	511,742	86,787	17.0%
Drugs Expenses	492	-	(492)	0.0%	2,297	-	(2,297)	0.0%
Program Expenses	20,464	15,663	(4,801)	-30.7%	139,527	128,256	(11,272)	-8.8%
Land & Facility Expenses	294,855	270,139	(24,716)	-9.1%	1,978,834	1,623,131	(355,703)	-21.9%
Equipment & Vehicle Expenses	98,337	88,227	(10,111)	-11.5%	636,765	550,697	(86,069)	-15.6%
Diversions Expenses	-	-	-	0.0%	-	-	-	0.0%
Other Operating Expenses	477,111	565,983	88,872	15.7%	2,004,388	3,104,094	1,099,706	35.4%
Allocated Expense	-	-	-	0.0%	-	-	-	0.0%
Total Indirect Expenses	2,154,582	2,204,546	49,964	2.3%	11,782,307	12,783,703	1,001,396	7.8%
Total Operating Expenses	7,477,758	7,572,846	95,088	1.3%	42,753,367	44,980,903	2,227,535	5.0%
Metrics								
Indirect Expenses/Direct Expenses	*40.5%*	*41.1%*			*38.0%*	*39.7%*		
Direct Expense/Gross Patient Revenue	*80.1%*	*65.3%*			*73.8%*	*65.0%*		
Non-Operating Income/Expense								
Interest Income/Expense	(24,209)	(30,833)	6,624	-21.5%	(49,095)	(185,000)	135,905	-73.5%
Donations Income	(2,176)	-	(2,176)	0.0%	(28,752)	-	(28,752)	0.0%
Other Non-Operating	-	-	-	0.0%	(20,091)	-	(20,091)	0.0%
Total Non-Operating	(26,385)	(30,833)	4,449	-14.4%	(97,938)	(185,000)	87,062	-47.1%
Net Income (Loss)	80,457	(73,159)	153,615	-210.0%	(2,057,451)	203,320	(2,260,771)	-1111.9%
Net Income	*1.1%*	*-1.0%*			*-5.1%*	*0.5%*		

North Central Health Care
Balance Sheet
For the Period Ending June 30, 2021

	Current YTD	Prior YTD
ASSETS		
Current Assets		
Cash and Cash Equivalents	5,123,576	5,090,805
Accounts Receivable		
Net Patient Receivable	4,758,448	5,737,555
Outpatient WIMCR & CCS	3,261,299	3,882,500
Nursing Home Supplemental Payment	811,466	107,700
County Appropriations Receivable	(10,000)	(1)
Net State Receivable	346,841	453,384
Other Accounts Receivable	488,351	868,241
Inventory	429,330	446,283
Prepaid Expenses	778,528	1,017,672
Total Current Assets	15,987,839	17,604,138
Noncurrent Assets		
Investments	8,291,809	12,065,000
Contingency Funds	1,000,000	1,000,000
Patient Trust Funds	79,390	94,588
Pool Project Receivable	-	1,732,590
Net Pension Assets	7,280,177	-
Nondepreciable Capital Assets	33,251,747	15,504,575
Net Depreciable Capital Assets	29,319,625	20,755,684
Total Noncurrent Assets	79,222,747	51,152,438
Deferred Outflows of Resources (Pensions)	18,262,408	22,152,585
TOTAL ASSETS	113,472,994	90,909,161

	Current YTD	Prior YTD
LIABILITIES		
Current Liabilities		
Current Portion of Capital Lease Liability	27,987	29,249
Trade Accounts Payable	187,231	892,961
Accrued Liabilites		
Salaries and Retirement	2,706,364	2,914,929
Compensated Absences	2,559,958	2,885,667
Health and Dental Insurance	503,000	670,000
Bonds	-	360,000
Interest Payable	21,838	140,801
Other Payables and Accruals	521,926	1,996,547
Payable to Reimbursement Programs	100,000	220,000
Unearned Revenue	(2,269,585)	(982,851)
Total Current Liabilities	4,358,718	9,127,302
Noncurrent Liabilities		
Net Pension Liability	2,506,809	9,445,451
Long-Term Portion of Capital Lease Liability	33,994	60,428
Long-Term Projects in Progress	38,176,739	13,321,306
Long-Term Debt and Bond Premiums	9,122,708	9,155,779
Patient Trust Funds	50,495	64,870
Total Noncurrent Liabilities	49,890,745	32,047,835
Deferred Inflows of Resources (Pensions)	22,225,906	11,508,078
TOTAL LIABILITIES	76,475,369	52,683,214
NET POSITION		
Net Investment in Capital Assets	62,571,371	36,240,980
Pool Project Restricted Capital Assets	-	1,732,590
Unrestricted		
Board Designated for Contingency	1,000,000	1,000,000
Board Designated for Capital Assets	-	1,578,142
Undesignated	(24,516,296)	(2,727,734)
Net Income / (Loss)	(2,057,451)	401,968
TOTAL NET POSITION	36,997,625	38,225,947
TOTAL LIABILITIES AND NET POSITION	113,472,994	90,909,161

North Central Health Care
Programs by Service Line
For the Period Ending June 30, 2021

	Revenue			Expense			Net Income/	Variance
	Actual	Budget	Variance	Actual	Budget	Variance	(Loss)	From Budget
BEHAVIORAL HEALTH SERVICES								
Adult Behavioral Health Hospital	3,190,678	3,426,553	(235,875)	3,898,852	4,074,185	175,333	(708,174)	(60,542)
Adult Crisis Stabilization Facility	511,612	737,170	(225,558)	566,491	523,257	(43,233)	(54,878)	(268,791)
Lakeside Recovery MMT	60,697	506,417	(445,720)	66,022	530,040	464,018	(5,325)	18,298
Youth Behavioral Health Hospital	826,029	1,076,000	(249,971)	1,221,379	1,500,444	279,065	(395,351)	29,094
Youth Crisis Stabilization Facility	183,404	380,788	(197,385)	262,232	505,621	243,389	(78,829)	46,004
Crisis Services	1,439,821	1,522,714	(82,894)	1,534,201	1,609,316	75,115	(94,381)	(7,779)
Psychiatry Residency	139,272	226,960	(87,689)	209,495	140,211	(69,284)	(70,224)	(156,973)
	6,351,512	7,876,604	(1,525,092)	7,758,672	8,883,074	1,124,402	(1,407,160)	(400,689)
COMMUNITY SERVICES								
Outpatient Services (Marathon)	2,256,026	2,100,182	155,845	2,464,601	1,945,824	(518,777)	(208,575)	(362,932)
Outpatient Services (Lincoln)	542,808	658,683	(115,876)	398,398	547,281	148,884	144,410	33,008
Outpatient Services (Langlade)	417,029	944,337	(527,309)	352,174	1,280,069	927,895	64,855	400,587
Community Treatment Adult (Marathon)	2,407,209	2,636,633	(229,424)	2,116,631	2,441,251	324,619	290,578	95,195
Community Treatment Adult (Lincoln)	519,731	516,138	3,592	393,228	406,470	13,242	126,502	16,834
Community Treatment Adult (Langlade)	311,790	337,344	(25,554)	232,189	282,546	50,357	79,601	24,803
Community Treatment Youth (Marathon)	2,645,409	2,833,211	(187,802)	2,522,450	2,612,469	90,019	122,960	(97,782)
Community Treatment Youth (Lincoln)	834,595	1,303,914	(469,319)	681,864	939,867	258,003	152,731	(211,316)
Community Treatment Youth (Langlade)	719,568	878,983	(159,415)	579,827	690,911	111,084	139,741	(48,331)
Community Corner Clubhouse	120,744	149,031	(28,287)	146,287	160,524	14,237	(25,543)	(14,050)
	10,774,908	12,358,456	(1,583,549)	9,887,649	11,307,212	1,419,563	887,259	(163,985)
COMMUNITY LIVING								
Adult Day Services (Marathon)	286,677	398,650	(111,974)	274,992	298,379	23,387	11,685	(88,587)
Prevocational Services (Marathon)	231,021	265,917	(34,896)	321,653	404,732	83,079	(90,633)	48,183
Lincoln Industries	300,857	636,199	(335,343)	489,444	670,022	180,578	(188,587)	(154,765)
Day Services (Langlade)	123,228	148,145	(24,917)	173,847	157,513	(16,334)	(50,618)	(41,251)
Prevocational Services (Langlade)	-	-	-	-	-	-	-	-
Andrea St Group Home	253,611	260,009	(6,398)	218,654	205,584	(13,069)	34,958	(19,467)
Chadwick Group Home	274,533	319,053	(44,520)	232,380	242,123	9,743	42,153	(34,777)
Bissell Street Group Home	286,494	281,406	5,088	203,683	227,763	24,079	82,810	29,167
Heather Street Group Home	212,614	227,583	(14,968)	221,666	208,034	(13,631)	(9,051)	(28,600)
Jelinek Apartments	346,242	390,610	(44,369)	348,293	356,444	8,151	(2,052)	(36,218)
River View Apartments	332,278	330,284	1,995	304,995	273,757	(31,237)	27,284	(29,242)
Forest Street Apartments	60,820	175,225	(114,406)	230,814	236,792	5,978	(169,995)	(108,428)
Fulton Street Apartments	108,672	125,605	(16,933)	188,749	142,765	(45,983)	(80,076)	(62,916)
Riverview Terrace	178,140	179,277	(1,137)	144,579	173,925	29,346	33,561	28,209
Hope House (Sober Living Marathon)	3,321	3,131	190	33,375	25,032	(8,343)	(30,054)	(8,153)
Homelessness Initiative	10,235	277	9,958	9,897	3,310	(6,588)	338	3,371
Sober Living (Langlade)	30,680	25,857	4,822	46,584	64,289	17,705	(15,904)	22,527
	3,039,422	3,767,229	(727,807)	3,443,605	3,690,465	246,860	(404,183)	(480,946)
NURSING HOMES								
Mount View Care Center	9,413,150	9,473,300	(60,150)	9,790,741	9,057,998	(732,743)	(377,591)	(792,893)
Pine Crest Nursing Home	5,862,797	5,573,247	289,550	6,776,858	6,151,310	(625,548)	(914,061)	(335,998)
	15,275,947	15,046,547	229,400	16,567,599	15,209,307	1,358,291	(1,291,652)	1,587,691
Pharmacy	3,855,115	4,354,604	(499,489)	3,497,162	4,195,240	698,078	357,953	198,589
OTHER PROGRAMS								
Aquatic Services	509,468	754,969	(245,502)	607,464	614,207	6,744	(97,996)	(238,758)
Birth To Three	287,592	384,198	(96,606)	391,803	384,198	(7,605)	(104,212)	(104,212)
Adult Protective Services	397,303	403,165	(5,862)	439,019	505,169	66,150	(41,716)	60,288
Demand Transportation	184,560	238,450	(53,890)	141,824	192,029	50,205	42,736	(3,685)
	1,378,923	1,780,783	(401,860)	1,580,110	1,695,604	115,493	(201,187)	(286,367)
Total NCHC Service Programs	40,675,826	45,184,223	(4,508,397)	42,733,276	44,980,903	2,247,626	(2,057,451)	(2,260,771)

North Central Health Care
Fund Balance Review
For the Period Ending June 30, 2021

	Marathon	Langlade	Lincoln	Total
Total Operating Expenses, Year-to-Date	30,323,949	2,382,421	10,028,427	42,734,797
General Fund Balance Targets				
Minimum (20% Operating Expenses)	6,064,790	476,484	2,005,685	8,546,959
Maximum (35% Operating Expenses)	10,613,382	833,847	3,509,949	14,957,179
Risk Reserve Fund	250,000	250,000	250,000	
Total Fund Balance				
Minimum Target	6,314,790	726,484	2,255,685	9,296,959
Maximum Target	10,863,382	1,083,847	3,759,949	15,707,179
Total Net Position at Period End	29,201,644	2,331,878	9,142,132	40,675,654
Fund Balance Above/(Below)				
Minimum Target	22,886,854	1,605,394	6,886,447	31,378,694
Maximum Target	18,338,262	1,248,031	5,382,183	24,968,475
County Percent of Total Net Position	*71.8%*	*5.7%*	*22.5%*	
Share of Invested Cash Reserves	7,270,715	580,598	2,276,236	10,127,549
Days Invested Cash on Hand	*44*	*44*	*41*	*43*
Targeted Days Invested Cash on Hand	*90*	*90*	*90*	*90*
Required Invested Cash to Meet Target	14,954,276	1,174,892	4,945,526	21,074,694
Invested Cash Reserves Above/(Below) Target	(7,683,562)	(594,294)	(2,669,290)	(10,947,146)

North Central Health Care
Review of Services in Marathon County
For the Period Ending June 30, 2021

| | Revenue | | | Expense | | | Net Income/ | Variance |
	Actual	Budget	Variance	Actual	Budget	Variance	(Loss)	From Budget
Direct Services								
Outpatient Services	1,047,539	891,744	155,795	2,464,601	1,945,824	(518,777)	(1,417,062)	(362,981)
Community Treatment-Adult	2,367,165	2,596,633	(229,468)	2,116,631	2,441,251	324,619	250,534	95,152
Community Treatment-Youth	2,645,357	2,833,211	(187,854)	2,522,450	2,612,469	90,019	122,907	(97,835)
Day Services	517,687	664,567	(146,880)	596,645	703,111	106,466	(78,958)	(40,414)
Clubhouse	74,741	103,031	(28,290)	146,287	160,524	14,237	(71,546)	(14,053)
Homelessiness Initiative	10,235	277	9,958	9,897	3,310	(6,588)	338	3,371
Hope House Sober Living	3,320	3,131	189	33,375	25,032	(8,343)	(30,055)	(8,154)
Riverview Terrace	178,137	179,277	(1,140)	144,579	173,925	29,346	33,558	28,206
Demand Transportation	184,557	238,450	(53,893)	141,824	192,029	50,205	42,733	(3,688)
Aquatic Services	338,279	583,797	(245,518)	607,464	614,207	6,744	(269,184)	(238,774)
Pharmacy	3,855,040	4,354,604	(499,563)	3,497,162	4,195,240	698,078	357,878	198,514
	11,222,059	12,448,722	(1,226,663)	12,280,915	13,066,923	786,007	(1,058,856)	(440,655)
Shared Services								
Adult Behavioral Health Hospital	1,408,482	1,582,767	(174,285)	2,885,150	3,014,897	129,746	(1,476,668)	(44,539)
Youth Behavioral Health Hospital	592,737	777,740	(185,003)	903,821	1,110,329	206,508	(311,083)	21,505
Residency Program	236,895	167,951	68,945	155,026	103,756	(51,270)	81,869	17,674
Crisis Services	313,821	375,190	(61,368)	1,135,309	1,190,894	55,585	(821,488)	(5,783)
Adult Crisis Stabilization Facility	378,583	545,506	(166,923)	419,203	387,210	(31,993)	(40,620)	(198,916)
Youth Crisis Stabilization Facility	1,876	281,783	(279,907)	194,052	374,160	180,108	(192,176)	(99,800)
Lakeside Recovery MMT	44,916	374,749	(329,833)	48,856	392,229	343,373	(3,940)	13,540
Residential	1,821,410	2,049,229	(227,818)	1,893,294	1,838,930	(54,364)	(71,884)	(282,182)
Adult Protective Services	94,502	98,847	(4,345)	324,874	373,825	48,951	(230,372)	44,606
Birth To Three	214,854	287,026	(72,173)	292,708	287,026	(5,682)	(77,854)	(77,854)
	5,108,076	6,540,787	(1,432,711)	8,252,293	9,073,256	820,963	(3,144,217)	(611,748)
Total NCHC Programming	16,330,136	18,989,510	(2,659,374)	20,533,209	22,140,179	1,606,970	(4,203,073)	(1,052,403)
Base County Allocation	1,817,813	1,817,813	-				1,817,813	-
County Appropriation	1,640,603	1,640,603	-				1,640,603	-
Excess Revenue/(Expense)	19,788,551	22,447,925	(2,659,374)	20,533,209	22,140,179	1,606,970	(744,657)	(1,052,403)

North Central Health Care
Review of Services in Lincoln County
For the Period Ending June 30, 2021

| | Revenue | | | Expense | | | Net Income/ | Variance |
	Actual	Budget	Variance	Actual	Budget	Variance	(Loss)	From Budget
Direct Services								
Outpatient Services	225,480	341,364	(115,884)	398,398	547,281	148,884	(172,917)	33,000
Community Treatment-Adult	515,222	511,638	3,584	393,228	406,470	13,242	121,994	16,826
Community Treatment-Youth	834,581	1,303,914	(469,333)	681,864	939,867	258,003	152,716	(211,331)
Lincoln Industries	300,847	636,199	(335,352)	489,444	670,022	180,578	(188,597)	(154,774)
	1,876,130	2,793,116	(916,985)	1,962,934	2,563,640	600,706	(86,804)	(316,279)
Shared Services								
Adult Behavioral Health Hospital	285,503	320,831	(35,328)	584,828	611,128	26,300	(299,325)	(9,028)
Youth Behavioral Health Hospital	120,149	157,650	(37,501)	183,207	225,067	41,860	(63,057)	4,359
Residency Program	48,019	34,044	13,975	31,424	21,032	(10,393)	16,595	3,583
Crisis Services	63,612	76,052	(12,440)	230,130	241,397	11,267	(166,518)	(1,172)
Adult Crisis Stabilization Facility	76,740	110,576	(33,836)	84,974	78,489	(6,485)	(8,234)	(40,321)
Youth Crisis Stabilization Facility	380	57,118	(56,738)	39,335	75,843	36,508	(38,955)	(20,230)
Lakeside Recovery MMT	9,105	75,963	(66,858)	9,903	79,506	69,603	(799)	2,745
Residential	-	-	-	-	-	-	-	-
Adult Protective Services	19,156	20,037	(881)	65,853	75,775	9,922	(46,697)	9,042
Birth To Three	43,293	57,836	(14,543)	58,981	57,836	(1,145)	(15,688)	(15,688)
	665,958	910,106	(244,148)	1,288,635	1,466,073	177,438	(622,677)	(66,710)
Total NCHC Programming	2,542,088	3,703,222	(1,161,133)	3,251,569	4,029,713	778,144	(709,481)	(382,990)
Base County Allocation	437,233	437,233	-			-	437,233	-
County Appropriation	300,019	300,019	-			-	300,019	-
Excess Revenue/(Expense)	3,279,341	4,440,474	(1,161,133)	3,251,569	4,029,713	778,144	27,772	(382,990)

North Central Health Care
Review of Services in Langlade County
For the Period Ending June 30, 2021

| | Revenue | | | Expense | | | Net Income/ | Variance |
	Actual	Budget	Variance	Actual	Budget	Variance	(Loss)	From Budget
Direct Services								
Outpatient Services	204,620	731,935	(527,316)	352,174	1,280,069	927,895	(147,554)	(674,870)
Community Treatment-Adult	307,285	332,844	(25,558)	232,189	282,546	50,357	75,096	49,538
Community Treatment-Youth	719,555	878,983	(159,427)	579,827	690,911	111,084	139,729	(19,699)
Sober Living	20,679	15,857	4,822	46,584	64,289	17,705	(25,905)	(21,083)
Day Services	123,225	148,145	(24,920)	173,847	157,513	(16,334)	(50,621)	(75,541)
	1,375,364	2,107,764	(732,399)	1,384,620	2,475,328	1,090,707	(9,256)	(741,655)
Shared Services								
Adult Behavioral Health Hospital	209,369	235,276	(25,907)	428,874	448,160	19,287	(219,505)	(245,412)
Youth Behavioral Health Hospital	88,110	115,610	(27,500)	134,352	165,049	30,697	(46,242)	(73,743)
Residency Program	35,214	24,966	10,249	23,044	15,423	(7,621)	12,170	22,418
Crisis Services	46,649	55,771	(9,122)	168,762	177,025	8,263	(122,113)	(131,235)
Adult Crisis Stabilization Facility	56,276	81,089	(24,813)	62,314	57,558	(4,756)	(6,038)	(30,851)
Youth Crisis Stabilization Facility	279	41,887	(41,608)	28,846	55,618	26,773	(28,567)	(70,175)
Lakeside Recovery MMT	6,677	55,706	(49,029)	7,262	58,304	51,042	(586)	(49,615)
Residential	53,816	60,547	(6,731)	55,940	54,334	(1,606)	(2,124)	(8,855)
Adult Protective Services	14,048	14,693	(646)	48,292	55,569	7,276	(34,244)	(34,890)
Birth To Three	29,445	39,336	(9,891)	40,115	39,336	(779)	(10,670)	(20,561)
	539,882	724,881	(184,999)	997,800	1,126,376	128,576	(457,919)	(642,918)
Total NCHC Programming	1,915,246	2,832,645	(917,399)	2,382,421	3,601,704	1,219,283	(467,175)	(1,384,574)
Base County Allocation	311,539	311,539	-				311,539	311,539
County Appropriation	105,093	105,093	-				105,093	105,093
Excess Revenue/(Expense)	2,331,878	3,249,277	(917,399)	2,382,421	3,601,704	1,219,283	(50,543)	(967,942)

North Central Health Care
Review of Services in Mount View Care Center
For the Period Ending June 30, 2021

	Revenue			Expense			Net Income/	Variance
	Actual	Budget	Variance	Actual	Budget	Variance	(Loss)	From Budget
Direct Services								
Post-Acute Care	1,242,307	1,230,990	11,317	1,314,575	1,308,507	(6,068)	(72,267)	5,249
Long-Term Care	1,320,828	1,690,911	(370,082)	2,150,084	1,975,444	(174,640)	(829,256)	(544,722)
Memory Care	3,567,422	2,834,160	733,262	3,313,922	3,078,511	(235,410)	253,501	497,852
Vent Unit	1,917,539	1,930,325	(12,786)	1,986,439	2,164,623	178,184	(68,900)	165,399
Nursing Home Ancillary	112,677	28,336	84,341	512,570	18,006	(494,564)	(399,893)	(410,223)
Rehab Services	502,319	1,008,577	(506,259)	513,151	512,906	(245)	(10,832)	(506,504)
Total NCHC Programming	8,663,093	8,723,300	(60,207)	9,790,741	9,057,998	(732,743)	(1,127,648)	(792,950)
County Appropriation	750,000	750,000	-				750,000	-
Excess Revenue/(Expense)	9,413,093	9,473,300	(60,207)	9,790,741	9,057,998	(732,743)	(377,648)	(792,950)

North Central Health Care
Review of Services in Pine Crest Nursing Home
For the Period Ending June 30, 2021

	Revenue			Expense			Net Income/	Variance
	Actual	Budget	Variance	Actual	Budget	Variance	(Loss)	From Budget
Direct Services								
Post-Acute Care	574,932	861,090	(286,158)	1,160,799	1,361,654	200,856	(585,866)	(85,302)
Long-Term Care	3,610,619	3,321,592	289,027	3,908,325	3,794,553	(113,772)	(297,706)	175,255
Special Care	795,716	818,752	(23,036)	890,158	992,638	102,480	(94,442)	79,444
Nursing Home Ancillary	205,168	-	205,168	462,217	-	(462,217)	(257,049)	(257,049)
Rehab Services	455,949	351,406	104,543	355,360	2,465	(352,894)	100,589	(248,351)
Total NCHC Programming	5,642,384	5,352,839	289,544	6,776,858	6,151,310	(625,548)	(1,134,474)	(336,004)
County Appropriation	220,408	220,408	-				220,408	-
Excess Revenue/(Expense)	5,862,791	5,573,247	289,544	6,776,858	6,151,310	(625,548)	(914,067)	(336,004)

North Central Health Care
Summary of Revenue Write-Offs
For the Period Ending June 30, 2021

	MTD	YTD
Adult Behavioral Health		
Administrative Write-Off	14,477	63,062
Bad Debt	-	1,197
Youth Behvioral Health		
Administrative Write-Off	-	1,605
Bad Debt	-	-
Outpatient & Community Treatment		
Administrative Write-Off	4,279	26,921
Bad Debt	-	1,433
Nursing Home Services		
Administrative Write-Off	-	44,462
Bad Debt	4,923	30,421
Pharmacy		
Administrative Write-Off	-	1,524
Bad Debt	-	-
Other Services		
Administrative Write-Off	3,169	20,352
Bad Debt	-	222
Grand Total		
Administrative Write-Off	21,926	157,926
Bad Debt	4,923	33,274

Building Our Compelling Future – NCHC Market Landscape

Key Insights Related to the World We Live In

1) Labor demographics are going to make the world a lot less convenient and expensive in the short-term; technology will be needed to fill the gaps; in 10-15 years technology will displace a significant number of workers who will need to be retrained.

2) Our region will continue to get older and have slow relative population growth.

3) Consumers will be presented with more options that offer lower costs solutions for health care that will require us to win on relationships and quality.

4) Downward cost pressures and rising labor costs will require healthcare organizations to restructure care models through a deep understanding of patient care pathways.

5) County partners will continue to face mounting service demands while also experiencing negative trending in funding the cost to continue operations which will increase program oversight and threaten funding.

Building Our Compelling Future – NCHC Strategic Plan

50 to 5 Vision (2016) - *To identify and operationalize all the elements necessary to organizational excellence and viability over the next 5 years, to get NCHC to our 50th Anniversary and to set ourselves up for the next 50 years.* At North Central Health Care, excellence means simultaneously achieving high employee engagement, high patient satisfaction, unequalled quality care, a strong community reputation and positive net income.

Build a culture that - *Redefines Human Connection*

1) Improve the quality and reliability of our services.

2) Serve over 15,000 unique individuals annually in our mental health and recovery programs across an expanding and comprehensive continuum of care.

3) Invest in and bring new capital assets online.

4) Manage the downsizing and evolving long-term care industry by focusing on higher acuity care and integration of behavioral health programming.

Building Our Compelling Future – NCHC Strategy Map

	Financial Perspective *Achieve financial viability through decreasing reliance on tax levy and ability to pay for capital investments.*	**1:Productivity Strategy** **4: Revenue Growth Strategy** 2-3% Net Income → Tax Levy Capital Investment ← 3-5% CAGR 2: Improve the ratio of indirect to direct expense 5: Expanded access 3: Improve the ratio of direct expense to gross patient revenue 6: Regional expansion
Executive Team and Board	**Customer Perspective** *We take care of people who others are unwilling or unable to take care of and do it better than anyone else.*	1: Provide a quality of care that is consistently demonstrated as superior through relevant outcome measurement 2: Reimagine quality and the environment of care through the adoption of advanced technologies 3: Develop frameworks for the successful adoption of advanced reimbursement models

	Operations Perspective *Better understand the needs of the community and individuals we serve and improve agility to respond effectively.*	*Operational Excellence*		
Leadership		**Programs & Services**	**Relationships**	**Operations**
		1. Launch new programs effectively and scale with speed 2. Excellence in quality assurance and improvement 3. Legislative and market agility	4. Develop a deep understanding of consumer segments 5. Expand affiliations 6. Responsive to referral source needs 7. Efficient point of access	8. Regulatory Compliance 9. Efficient recruitment cycle 10. Effective revenue cycle 11. Culture of safety 12. Outsource non-strategic services 13. Quality Environment of Care
	Learning Perspective *Develop ourselves into a learning organization.*	**Human Capital**	**Information Capital**	**Organizational Capital**
		1. Advanced competency 2. Attractive environments and superb supervision for clinical education	3. Transformational core applications 4. Robust data warehouse 5. Effective and protected data sharing 6. Standardized clinical workflows 7. Strong information network	8. Person-centered service approach 9. Project management acumen 10. Leading through influence 11. High-Performance Culture

Target Financial Measures

- 3% - 5% annual gross revenue growth
- Reduce ratio of indirect to direct expenses
- Reduce ratio of direct expense to gross revenue
- Contingency of 1.5% of operations target
- 2% - 3% annual net income
- Service Master Facility Project debt
- 90 days cash on hand

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Forecasted Revenue

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
REVENUES										
Gross Revenues	86,000,000	88,580,000	91,237,000	93,974,000	96,793,000	99,697,000	102,688,000	105,769,000	108,942,000	112,210,000
Contractual Adjustments	(30,000,000)	(30,600,000)	(31,212,000)	(31,836,000)	(32,473,000)	(33,122,000)	(33,784,000)	(34,460,000)	(35,149,000)	(35,852,000)
Write-Offs for Doubtful Accounts	(50,000)	(51,000)	(52,000)	(53,000)	(54,000)	(55,000)	(56,000)	(57,000)	(58,000)	(59,000)
Net Patient Revenue	55,950,000	57,929,000	59,973,000	62,085,000	64,266,000	66,520,000	68,848,000	71,252,000	73,735,000	76,299,000
Grants	4,000,000	4,080,000	4,202,000	4,328,000	4,458,000	4,592,000	4,730,000	4,872,000	5,018,000	5,169,000
WIMCR	700,000	714,000	728,000	743,000	758,000	773,000	788,000	804,000	820,000	836,000
CCS Reconciliation	1,000,000	1,010,000	1,020,000	1,030,000	1,040,000	1,050,000	1,061,000	1,072,000	1,083,000	1,094,000
Supplemental Payment	4,500,000	4,491,000	4,482,000	4,473,000	4,464,000	4,455,000	4,446,000	4,437,000	4,428,000	4,419,000
Certified Public Expenditure Funds	1,000,000	998,000	996,000	994,000	992,000	990,000	988,000	986,000	984,000	982,000
Other Revenue	1,000,000	1,020,000	1,040,000	1,061,000	1,082,000	1,104,000	1,126,000	1,149,000	1,172,000	1,195,000
Base County Allocation	5,133,168	5,133,168	5,133,168	5,133,168	5,133,168	5,133,168	5,133,168	5,133,168	5,133,168	5,133,168
County Levy	8,074,752	8,074,752	8,074,752	8,074,752	8,074,752	8,074,752	8,074,752	8,074,752	8,074,752	8,074,752
Operating Revenue	25,407,920	25,520,920	25,675,920	25,836,920	26,001,920	26,171,920	26,346,920	26,527,920	26,712,920	26,902,920
Interest Income	75,000	77,000	79,000	81,000	83,000	85,000	88,000	91,000	94,000	97,000
Total Revenue	81,433,000	83,527,000	85,728,000	88,003,000	90,351,000	92,777,000	95,283,000	97,871,000	100,542,000	103,299,000
Revenue Growth per Year		2.6%	2.6%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
% Net to Gross Revenue	65.1%	65.4%	65.7%	66.1%	66.4%	66.7%	67.0%	67.4%	67.7%	68.0%
Tax Levy as % of Total Revenue	9.9%	9.7%	9.4%	9.2%	8.9%	8.7%	8.5%	8.3%	8.0%	7.8%

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Forecasted Revenue

- 3% gross revenue growth
  - Nursing home census management
  - Increased behavioral health programming
  - Completion of Master Facility Project
- Improvements in contractual adjustments through ANI contract, Medicaid rate changes, and Cerner efficiencies
- Assume reduction in annual payments related to the nursing homes (SP and CPE)

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Forecasted Expenses

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
DIRECT EXPENSES										
Salaries and Wage Expenses	31,500,000	32,760,000	34,070,000	35,092,000	36,145,000	37,229,000	38,346,000	39,496,000	40,681,000	41,901,000
Fringe Benefit Expenses	11,025,000	11,466,000	11,925,000	12,282,000	12,651,000	13,030,000	13,421,000	13,824,000	14,238,000	14,665,000
Contracted Provider Expenses	6,000,000	3,600,000	3,636,000	3,672,000	3,709,000	3,746,000	3,783,000	3,821,000	3,859,000	3,898,000
Drugs Expenses	6,300,000	6,363,000	6,427,000	6,491,000	6,556,000	6,622,000	6,688,000	6,755,000	6,823,000	6,891,000
Depreciation	2,000,000	3,250,000	3,500,000	3,570,000	3,641,000	3,714,000	3,788,000	3,864,000	3,941,000	4,020,000
Diversions Expenses	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000
Program & Other Expenses	3,200,000	3,296,000	3,395,000	3,497,000	3,602,000	3,710,000	3,821,000	3,936,000	4,054,000	4,176,000
Total Direct Expenses	60,875,000	61,585,000	63,803,000	65,454,000	67,154,000	68,901,000	70,697,000	72,546,000	74,446,000	76,401,000
Direct Expense Growth per Year		1.2%	3.6%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%
Direct Expense/Gross Revenue	70.8%	69.5%	69.9%	69.7%	69.4%	69.1%	68.8%	68.6%	68.3%	68.1%
INDIRECT EXPENSES										
Salaries and Wage Expenses	11,000,000	11,330,000	11,670,000	12,020,000	12,381,000	12,752,000	13,135,000	13,529,000	13,935,000	14,353,000
Fringe Benefit Expenses	3,850,000	3,966,000	4,085,000	4,207,000	4,333,000	4,463,000	4,597,000	4,735,000	4,877,000	5,024,000
Depreciation	4,500,000	4,000,000	2,500,000	2,525,000	2,550,000	2,576,000	2,602,000	2,628,000	2,654,000	2,681,000
Program & Other Expenses	1,500,000	1,530,000	1,561,000	1,592,000	1,624,000	1,656,000	1,689,000	1,723,000	1,757,000	1,792,000
Total Indirect Expenses	20,850,000	20,826,000	19,816,000	20,344,000	20,888,000	21,447,000	22,023,000	22,615,000	23,223,000	23,850,000
Indirect Expense Growth per Year		-0.1%	-4.8%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
Indirect Expense/Direct Expense	34.3%	33.8%	31.1%	31.1%	31.1%	31.1%	31.2%	31.2%	31.2%	31.2%
Contingency Fund	-	500,000	750,000	750,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Contingency Fund Percent	0.0%	0.6%	0.9%	0.9%	1.1%	1.1%	1.1%	1.1%	1.0%	1.0%
Total Expenses	81,725,000	82,911,000	84,369,000	86,548,000	89,042,000	91,348,000	93,720,000	96,161,000	98,669,000	101,251,000

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Forecasted Direct Program Expenses

- 4% annual salary growth 2022 and 2023
  - Market conditions
  - Addition of new positions
  - 3% annual salary increase thereafter
- Assume 35% fringe benefit rate continues
- Contracted providers decrease 40% in 2022 with addition of new psychiatrists to NCHC staff; increases 1% annually thereafter
- Depreciation increases in 2022 and 2023 related to the Master Facility Project; 2% annually thereafter

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Forecasted Indirect Program Expenses

- % annual salary growth
  - Market conditions
  - Addition of new positions
- Assume 35% fringe benefit rate continues
- Depreciation
  - Accelerate in 2022 and 2023 to remove facilities no longer in use
  - New facilities depreciate in direct programs
  - Change in indirect/direct expense ratio
- Contingency contribution ramp-up

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Forecasted Net Income & Cash Targets

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Excess Revenue (Expense)	(292,000)	616,000	1,359,000	1,455,000	1,309,000	1,429,000	1,563,000	1,710,000	1,873,000	2,048,000
	-0.4%	0.7%	1.6%	1.7%	1.4%	1.5%	1.6%	1.7%	1.9%	2.0%
Net Income at 2%	62,092,500	62,816,700	65,079,060	66,763,080	68,497,080	70,279,020	72,110,940	73,996,920	75,934,920	77,929,020
Net Income at 3%	62,701,250	63,432,550	65,717,090	67,417,620	69,168,620	70,968,030	72,817,910	74,722,380	76,679,380	78,693,030
Debt Service Principle & Interest	535,000	1,738,000	2,477,000	2,804,000	2,805,000	2,801,000	2,802,000	2,799,000	2,798,000	2,801,000
Target: 90 Days Cash on Hand	15,010,274	15,185,342	15,732,247	16,139,342	16,558,521	16,989,288	17,432,137	17,888,055	18,356,548	18,838,603
Investments as of April 30, 2021	10,625,550									

- Improve net income position annually
- Manage debt service schedule
- Target 90 days cash on hand

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How to Achieve

- Manage expenses during conservative revenue growth during construction
- Right-size staffing to realistic census targets making strategic employee investments in areas with high growth potential
- Reduce charity care and write-offs
- Conservative and strategic use of outside consultants, agencies, and contracts

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2021 NCCSP BOARD CALENDAR

Thursday, August 26, 2021 – 3:00 PM – 5:00 PM (MEETING IN ANTIGO)

Educational Presentation: Current practices and performance around the human capital management of the organization.

Agenda Items
- Review of Employee Compensation Plan Effectiveness
- Review Employee Benefit Plan Performance
- Review Diversity, Equity, and Inclusion Plan

Board Policy to Review
- Employee Compensation Policy

Program Review: Commitments and Linkage

Board Policy Discussion Generative Topic: Effectiveness of Human Capital and Talent Management Programs

Thursday, September 30, 2021 – 3:00 PM – 5:00 PM

Educational Presentation: Annual Report from the Medical Staff

Agenda Items
- Report of investigations related to corporate compliance activities and significant events.

Board Policy to Review
- Medical Staff Bylaws
- Purchasing Policy

Program Review: Mount View Care Center and Aquatic Therapy Center

Board Policy Discussion Generative Topic: Effectiveness of the Medical Staff's oversight of the organization's quality of care.

2021 NCCSP BOARD CALENDAR

Thursday, October 28, 2021 – 3:00 PM – 5:00 PM (MEETING IN MERRILL)

Educational Presentation: Budget Presentation

Agenda Items
- Annual Board Self-Evaluation of Governance and Competency
- Review of Bylaws
- Review Policy Governance Manual

Program Review: Pine Crest

Board Policy Discussion Generative Topic: Focus on the board's performance and areas for improvement.

Thursday, December 16, 2021 – 3:00 PM – 5:00 PM

Educational Presentation: Adopted Budget and Operational Plan for the upcoming year and Annual Quality Audit – Update on the Status of the Quality, Compliance, and Safety Plan

Agenda Items
- Report of investigations related to corporate compliance activities and significant events.
- Quality, Compliance and Safety Plan
- Utilization Review Plan
- Organizational and Program Dashboards
- CEO Work Plan
- CEO Performance Expectations and Compensation Plan
- Stakeholder Engagement Plan
- 2022 Board Work Plan and Calendar
- Proposed Budget Recommendations to County Boards

Board Policy to Review
- Complaint and Grievance Policy
- Employee Grievance Policy
- Occurrence Reporting Policy
- CEO Recruitment, Retention, and Removal Policy

Program Review: Community Living

Board Policy Discussion Generative Topic: Effectiveness of organization's reputation management initiatives – how do our patients, community partners, employees, management, and physicians assess our organization and Annual CEO Succession Planning Exercise