

**NORTH CENTRAL COMMUNITY SERVICES PROGRAM
FINANCE, PERSONNEL & PROPERTY COMMITTEE
MEETING MINUTES**

January 31, 2013 11:00 a.m. NCHC – Wausau Campus

Present:

X Lee Olkowski EX Robert Weaver X John Robinson
X Ron Nye

Also present: Gary Bezucha, Brenda Glodowski, Paula Hawkins

The meeting was called to order at 11:05 a.m. Roll call was noted and a quorum declared.

Minutes

- **Motion** Olkowski, 2nd Robinson, to approve the minutes of the 12/20/12 meeting. Motion carried.

Financials - December

- Cash is up. We added a \$300,000 CD. We increased investments by \$750,000 during 2012; target was \$500,000.
- We received the Marathon County 4th quarter appropriation in January.
- Revenue volumes were down. The nursing home averaged 241; target is 248; hospital averaged 10; target is 11; Nursing home Medicare was at 29; target is 30. Volumes are also down in January.
- Expenses were high. The employee incentives were built into December. We also had to increase our HRA balance.
- There was a \$322,000 loss for the month.
- Preliminary audit has begun. Audit is scheduled for the week of February 11. There will be a few more revenue adjustments we can make related to grants.
- We are currently at just under a \$2.3 million gain for the year.
- Both programs had a gain at the end of the year.
- Overall it was another successful year.
- **Motion** Olkowski, 2nd Robinson, to approve the December financial statements. Motion carried.

CFO Report

- Accounts Receivable is up.
 - Security Health Plan implemented a new computer system in July which has resulted in slow reimbursement. It is an issue for other organizations in the community. We communicate with Security about twice a week. We have been assured we will be paid for claims. We are currently about half a million over 90 days with them.

- The VA issue will shortly be resolved. They had staff problems. Last payment we received was in September. Half of the claims are expected to be paid in February, and we have been told the other half will be paid after that. They currently are \$158,000 behind.
- Over 90 days percentage would be at 9.4% if those two were not included. Days in A/R would be at 48 days. This is still higher than our target of 45 days, but our target is aggressive.
- We also have been sending very difficult claims to our attorney's office. We have had success with this. Brenda met with the attorney to discuss our collections policies, and what we can do with problem accounts. He will get some sample documents and policies to her, which will present legal recourse to residents and families.
- Recourse on non-payment of private pay accounts is to proceed with involuntary discharge. This can be difficult to do. We need to be very clear on our expectations, and consistent on our follow-through.
- Write-offs are staying low. A goal was to reduce administrative write-offs (those we have control over) by 10%. We reduced it by greater than that.
- Last month the employee incentive was approved. In the preliminary analysis there is potential that one county may show a loss with the incentive built in. Once we have year end finalized, if necessary we would reduce incentive so no county shows a loss. Reserves will not be used to fund this. The incentive policy will be revisited at a future meeting.

Investment Policy

- One of the criteria is for the Finance Committee to do an annual review.
- Item 6, page 4: our securities are not held by a third party custodian as stated. We need to engage a financial institution to be our custodian. Our auditors consider this committee as the custodian. Brenda will look into this from an audit viewpoint. She will also ask about bonding.
- **Motion** Olkowski, 2nd Robinson, to approve the Investment Policy. Motion carried.

Future Agendas

- Review incentive policy
- Follow-up to custodian question with investment policy
- We are in the process of reviewing our 457 plan, providers, and alternate options, and will make a recommendation within the next few months.

Motion Olkowski , 2nd Robinson, to adjourn at 11:58 a.m. Motion carried.

Pdh