

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

December 19, 2013

11:00 a.m.

NCHC – Wausau Campus

Present:

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

Also present: Gary Bezucha, Brenda Glodowski, Paula Hawkins

The meeting was opened at 11:00 a.m. Roll call was taken and a quorum declared.

Minutes

- **Motion** Weaver, 2nd Olkowski, to approve the minutes of the 11/21/13 meeting. Motion carried.

Financials

- Balance sheet is consistent. Receivables are down.
- November showed a favorable month, but revenue was below budget target. Revenues dropped in most areas.
- Hospital census averaged 12; target is 10. The payor mix was not as favorable.
- Outpatient revenue was down, which was partly holiday related.
- Nursing home revenue was the lowest census all year, averaging 223; target is 242. Medicare was stable at 30, which is target.
- Expenses were below target. Benefits are doing well. There was added expense due to implementation of the electronic medical records system, and will increase in December. There is some expense in using temporary help to assist with data entry.
- There was a \$2.3 million gain through November, so we are just under \$2.4 million ahead of targets year to date.
- If we lose staff, we try to fill the positions as quickly as possible, particularly in the direct care areas. We want to minimize the use of locum tenens.
- **Motion** Olkowski, 2nd Weaver, to approve the financial report. Motion carried.
- We may have an increase in write-offs in December to minimize carrying over balances to the new system.

CFO Report

- The new system implementation is in progress. Staff are working through it and doing testing this month. Staff are nervous but excited. Go live date is January 6.
- The annual audit is scheduled for February. They will only be onsite for four to five days, which saves money, as they used to be onsite for two weeks.

Removal of Collection Receivables from Financial Statements

- We have a receivable for all collection agency accounts. It is a build up of many years. We have a corresponding allowance to offset it, so there is no impact on the financial statements.
- We will maintain information so it is available if we would receive a payment.
- Balance is just over \$5.2 million. It has been pretty consistent over the years.
- Internal controls are good. Different staff do the billing, collect payments, and post the payments.
- Sliding fee procedures are being tightened up.
- **Motion** Olkowski, 2nd Robinson, to approve the removal of collection receivables from financial statements. Motion carried.

Employee Incentive Recommendation

- Recommendation is a payout not to exceed \$700,000 which would be approximately a 2.3% payment. This is less than recommended last year.
- This does not come out of reserves.
- The payment will only occur if all criteria are met.
- **Motion** Weaver, 2nd Olkowski, to approve the recommendation upon satisfaction of all criteria. Motion carried.

Nursing Home Future

- A Marathon County board member has suggested creating a separate board to govern the nursing home.
- Separating the nursing home from North Central Health Care would drive the costs up for both the nursing home and NCHC.
- The Marathon County Health and Human Services Committee has endorsed moving forward with the renovation of the nursing home.

Future Meeting Agenda Items

- Report on effects of adopted two year Federal budget, including Medicare reimbursement.

Motion Olkowski, 2nd Weaver, to adjourn at 11:42 a.m. Motion carried.

Pdh