

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

June 26, 2014 11:00 a.m. NCHC – Wausau Campus

Present:

X	Lee Olkowski	EXC	Ron Nye	EXC	John Robinson
X	Robert Weaver	X	Jeff Zriny		

Also present: Gary Bezucha, Brenda Glodowski, Paula Hawkins

Guests: Gary Olsen

The meeting opened 11:05 a.m. Roll call was noted, and a quorum declared.

Minutes

- **Motion**/second Weaver/Zriny to approve the minutes of the 5/29/14 meeting. Motion carried.

Financials

- There is an increase in A/R, due primarily to transition of electronic medical record and billing system. We have good cash backup. Billing is currently very slow.
- We are not satisfied with the way the system is working this far into the conversion. We are not getting the resolution of issues as quickly and efficiently as we believe we should be. We are engaging a consulting firm to review our implementation, our progress, and the response of our vendor. The next couple months will be critical to watch.
- We beat monthly target, so showed a loss of just over \$17,000; we were budgeted for a loss of \$23,386.
- Nursing home census continues to drop, with an average of 219; target is 225. Medicare census dropped, too – averaging 22; target is 35.
- All nursing homes in the community are under census. Hospitals are reluctant to admit patients, so are keeping patients on observation status for several days. By doing that, patients don't get the three day qualifying stay to go to a nursing home under Medicare.
- Outpatient revenue is down: volumes are down, and most revenue is estimated because of the billing system transition. A charge is not generated until a document goes through a "final save", and we are seeing a large amount of documents in that status. When final saved and documents are caught up, we can do a final reconciliation. We will see an increase in revenue at that time. Until then we are being conservative on our revenue estimates.
- Expenses are down overall. We are holding on hiring positions as we can. We have seen some decreases in our health insurance. There have been some increases in supplies, such as grounds, which is seasonal. State institutes remain high; food account is up.
- Through May we are at a \$144,000 deficit; \$326,000 behind budget targets.
- **Motion**/second Zriny/Weaver to approve the financial report. Motion carried.

CFO Report

- We are in the process of updating and reviewing all pay practices within the payroll system. As we have monitored it we found there are many old practices. We are updating codes and re-

reviewing data, how people are being paid, etc. We currently run two overtime systems (some staff in an “8 and 80”; some in “over 40”). We are reviewing shift differentials, mandated shifts, call time, etc., and have found many inconsistencies. We engaged a consultant to review market rates in all jobs, and reviewed all job descriptions. The target is to be complete by end of August to recode everything. It should generate savings to the organization.

- Budget process has begun. We received preliminary notice that the WRS rate is dropping.
- Executive team has an all-day retreat on Monday. Budget planning is a big discussion. There will be discussion on utilization of resources – why revenues are down and what we can do about it.

Fund Balance Policy

- The revised Fund Balance policy was reviewed.
- The purpose statement was revised.
- This was shared with Lincoln and Langlade Counties, and they are in support of the revised policy.
- **Motion**/second Zriny/Weaver to approve the revised Fund Balance Policy. It will go to the full board for approval at the July meeting.

Nursing Home Renovation Project

- Marathon County Finance Committee is supportive of our plan. We will not need to do a bonding. We will fund the design portion (about a half million) out of current year capital budget. Then the county will approve the financing for the construction out of 2015 CIP (Capital Improvement Program) funds. The selected design firm thinks the design will take at least six months, so the timing is good.
- We have had a preliminary meeting with Angus Young, the design firm. They will be here for the first onsite meeting mid July.
- It is a \$13.5 million project.
- The project has been highly supported.

Future Meeting Agendas

- Budget update

Motion/second Weaver/Zriny to adjourn at 11:51 a.m. Motion carried.

Pdh