

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

May 28, 2015

11:00 a.m.

NCHC – Wausau Campus

Present:

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

Also Present: Gary Bezucha, Brenda Glodowski, Michael Loy, Debbie Osowski

The meeting was called to order 11:01 AM, roll call taken, and a quorum noted.

Minutes

**Motion**/second, Zriny/Weaver, to approve the minutes of the 4/30/15 Finance, Personnel & Property Committee meeting. Motion carried.

Financials

- Balance sheet:
  - Cash continues to improve; is comparable to last year.
  - Accounts Receivable continues to see improvement; has decreased about \$811,000 since January; days in Accounts Receivable has dropped to 72; target by year end is 55-60 days.
  - No significant write-offs identified through April; about \$15,000 has been identified in the nursing home billing area in May so far as we continue to clean-up that area.
- Revenues:
  - April showed a gain of \$107,200.
  - Hospital census is 13 which is at target; nursing home census dropped to 205 which is below the target of 213; Medicare census averaged 26 per day which is at target.
  - Outpatient revenues overall were down; in May we should see some spikes. No billing is able to be done until documentation is complete. We have established a policy in all programs with documentation guidelines and are working with staff on timely completion. A monitoring tool by individual is also being established.
  - Overall revenue was down slightly for the month; expenses were down also
  - Overall the organization shows a gain over \$737,344, which is ahead of target.
- Expenses:
  - Health Insurance was high in April however; May health insurance is very low; medications were up due to extra invoice date in April.
  - The vendor for rehab services changed as of 5/14/15 from RehabCare to Aegis; have seen March/April with expenses higher and revenue lower. This is not uncommon when a contract change occurs; we will continue to monitor closely.

**Motion**/second, Zriny/Weaver, to approve the April financial statements. Motion carried.

### CFO Report

- Working on testing with ledger and reconciliation.
- Budget process has begun.
- In the nursing home we are looking at a 1% acuity increase in the Medicaid rate with the second year of the biennium. Medicaid increases continue to be below inflation rate.

### Accounts Receivable Update

- Continuing to see the days in accounts receivable decrease.
- Continuing to get cash application process up to date.
- Developing internal reports for aging activity as we are not yet able to generate the reports on the system. Note: the vendor is currently working on two required projects: Meaningful Use and ICD10. These are large projects which prevent them from focusing on other projects at this time. The vendor has also experienced turnover which adds to the frustration and delay of projects.

### 2016 Capital Requests

- Each capital request item was reviewed in detail.
- **Motion**/second, Zriny/Robinson, to recommend the 2016 capital requests to the board and if approved, forward to Marathon County for approval. Motion carried.

### Proposal for Contractual Nursing Assistant Recruitment/Retention Compensation Strategy

- The Executive Team and the Nursing Home Operations Committee have reviewed and recommend to the Finance Committee the approval of the CNA Recruitment/Retention Compensation Strategy for CNA staff in the nursing home
  - Goals are to increase current CNA compensation up to the projected market rate with a four-year phased-in approach; adjustments occurring in 6-month increments. Currently 70% of our CNA's are below market rate; 41% are in the nursing home.
  - In 2015 there would be a projected budget impact of \$67,000 with estimated financial impacts of \$200,000 over the next four budget cycles.

**Motion**/second, Robinson/Zriny, to advance the CNA Recruitment/Retention Compensation Strategy to the Board of Directors for approval. Motion carried.

### Education on Fund Balances

Reviewed the definitions for Generally Accepted Accounting Principles (GAAP), Government Accounting Standards Board (GASB) and North Central Health Care Fund Balance reporting. Committee expressed the importance of providing an education session to County Board members on why it is prudent and beneficial to have fund balances and reserves, their purpose, etc. It was also felt the education should be provided by a non-affiliated outside resource.

### Future Agendas

- Continued fund balance review

**Motion**/second, Weaver/Zriny, to adjourn the meeting at 12:04 p.m. Motion carried.