

## NORTH CENTRAL COMMUNITY SERVICES PROGRAM

### OFFICIAL NOTICE AND AGENDA of a meeting of the Board or a Committee

A meeting of the Finance, Personnel & Property Committee will be held at North Central Health Care – Wausau Badger Room, 1100 Lake View Drive, Wausau WI 54403 at

11:00 AM, on Thursday, August 27<sup>th</sup>, 2015.

*(In addition to attendance in person at the location described above, Committee 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 meeting start time for further instructions.)*

### AGENDA

1. Call to order
2. Minutes of 07/30/2015 Finance, Personnel & Property Committee meeting
  - a. Action: approve minutes
3. July financials
  - a. Action: approve financial statements
  - b. Write-offs (report only; no action)
4. CFO Report
5. Accounts Receivable Update
6. Pharmacy Packaging System
  - a. Action: approve pharmacy packaging system
7. 2016 Budget
8. 2016 Health Plans
9. Future agendas
10. Adjourn

- Action may be taken on any agenda items.
- In the event that any individuals attending this meeting may constitute a quorum of another governmental body, the existence of the quorum shall not constitute a meeting as no action by such body is contemplated.

Signed: /s/Gary Bezucha  
Presiding Officer or His Designee

#### COPY OF NOTICE DISTRIBUTED TO:

Wausau Daily Herald      Antigo Daily Journal  
Tomahawk Leader      Merrill Foto News  
Langlade, Lincoln & Marathon County Clerk Offices

DATE: 8-21-2015      TIME: 4:00 p.m.  
VIA: x FAX x MAIL      BY: D. Osowski

#### THIS NOTICE POSTED AT:

NORTH CENTRAL HEALTH CARE  
DATE: 08-21-2015      Time: 4:00 p.m.  
By: D. Osowski

Any person planning to attend this meeting who needs some type of special accommodation in order to participate should call the Administrative office at 848-4405. For TDD telephone service, call 845-4928.

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

July 30, 2015

11:00 a.m.

NCHC – Wausau Campus

Present:

X	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 11:00 AM, roll call taken, and a quorum noted.

Minutes

**Motion**/second, Nye/Zriny, to approve the minutes of the 6/25/15 Finance, Personnel & Property Committee meeting. Motion carried.

Financials

- Revenues:
  - Overall the organization shows a gain of approximately \$551,000; both nursing home and human services operations have a year to date gain of over \$1.5 million.
  - Cash is doing well.
  - Hospital average census was over 14; target is 13
  - Nursing Home picked up slightly to 204; target is 213
  - Medicare census averaged 19 per day
  - Picked up \$125,000 of revenue due to Jan-May review/reconciliation; have excellent reports coming together finally with all systems talking to one another.
  - Have noticed a change in payer mix which has increased revenue; slight increase in the rehab area due to the change in rehab services
- Expenses:
  - Expenses were down overall
  - Health insurance had a good month in June with a slight spike noticed so far for July.
  - Expenses for state institutes are high
- Write-off's spiked slightly but are still below target
- Committee members would like to provide information to County Board members so they may have a better understanding of NCHC and the financial operations. John Robinson will provide quarterly reports to the Health & Human Services Committee.

**Motion**/second, Zriny/Nye to approve the June financial statements. Motion carried.

CFO Report

- Items are included below

Accounts Receivable Update

- Days in Accounts Receivable dropped by three days.

### Budget Update

- Wisconsin Retirement System mandatory contributions will be dropping by .2% for employees and employers.
- Received early estimates for supplemental payment for a potential decrease of \$260,000.
- Several new items will be included in budget i.e. the pilot of services for the jail, expansion of mobile crisis in all three counties.
- Committee suggested preparing a 'status quo' budget until more definitive decisions are received by counties.
- Budget must be completed early October.

### Overview of Changes to Paid Leave Time Policy

- Proposed changes to current Paid Leave Time (PLT) policy include:
  - Offering a pay-out annually (in Sept.) of 16-40 hours of PLT leaving a PLT bank of not below 80 hours; eliminating the PLT maximum during the year (currently 240 hours) allowing for more versatility in using PLT however, a maximum of 240 hours would be carried from one year to the next (the last payroll of the year)
  - Employees, while on PLT and then being called into work, would receive PLT pay and pay for working.
- **Motion**/second, Robinson/Weaver, to approve changes to the Paid Leave Time policy. Motion carried.

### Potential settlement on lease dispute

- A summary of the history for the lease dispute was provided.
- Has been in legal dispute for two years.
- Potential exposure is \$175,000.

### 2016 Employee Health Insurance Options

- Health Insurance Consortium will not be an option for next year.
- Reviewing long term strategies (3-5 years) for managing costs and continuing to provide an excellent benefit to employees.
- Changes will have minor impact, similar costs, and will streamline the plan i.e. 3-tier to 2-tier plan; HSA rather than HRA, etc.
- Final plan changes will be brought back to Committee for approval.

### Future Agendas

- Education to county board
- Education to other service organizations and community awareness

**Motion**/second, Zriny/Weaver, to adjourn the meeting at 12:00 p.m. Motion carried.



## MEMO

**TO:** North Central Health Care Finance Committee  
**FROM:** Brenda Glodowski  
**DATE:** August 21, 2015  
**RE:** Attached Financials

Attached please find a copy of the July Financial Statements for your review. To assist you in your review, the following information is provided:

### **BALANCE SHEET**

The Balance Sheet items continue to remain consistent with prior months.

### **STATEMENT OF REVENUE AND EXPENSES**

The month of July shows a loss of (\$427,189) compared to a budgeted loss of (\$9,938) resulting in a negative variance of (\$417,252).

The hospital census decreased a bit from the prior month, averaging just under 14 per day. This still exceeds the target of 13 per day. The nursing home census improved over the prior month averaging 206 per day. The target is 213. The Medicare census also showed improvement averaging 21 per day. The target for this is 26. Outpatient areas showed some improvement, but some are still below targets.

Revenues, overall, for July were close to target. The expenses, however, exceeded budget targets, which is 'causing' the loss for July. Health insurance and State institutes are the two largest areas of variance. Health insurance exceeded target by \$214,000 and the State institutes exceeded target by about \$150,000. There were additional expenses added in July to assist with the jail services. The estimate of these additional expenses is \$20,000. Other areas that were high are food, drugs, and contract services. Contract services are running high due to increased maintenance agreements and contracted staff in the nursing home due to management changes.

Through July, the overall organization shows a gain of \$1,148,191 compared to a targeted gain of \$190,142. Overall, the organization is ahead of target by \$958,049.

If you have questions, please feel free to contact me.

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF NET ASSETS  
JULY 2015**

	<u>51.42/.437</u> <u>PROGRAM</u>	NURSING <u>HOME</u>	<u>TOTAL</u>	<u>TOTAL</u> <u>31-Jul-14</u>
<b>CURRENT ASSETS:</b>				
CASH AND EQUIVALENTS	5,730,146	(1,485)	5,728,661	4,896,348
SHORT-TERM INVESTMENTS	9,300,000		9,300,000	6,647,178
CASH FOR APPROVED CAPITAL PURCHASES	1,747,239	397,427	2,144,665	1,652,823
DONATED FUNDS	231,481		231,481	126,803
<b>ACCOUNTS RECEIVABLE:</b>				
PATIENT (NET)	3,479,071	4,175,882	7,654,953	6,767,754
STATE GRANTS	1,681,643		1,681,643	152,035
OTHER	979,647		979,647	495,644
APPROPRIATIONS RECEIVABLE	56,039		56,039	2,758,020
AMOUNTS RECEIVABLE FROM THIRD-PARTY REIMBURSEMENT PROGRAMS	426,833	69,257	496,090	714,545
INVENTORY	16,920	256,902	273,822	331,005
OTHER	<u>432,792</u>	<u>64,904</u>	<u>497,696</u>	<u>509,495</u>
<b>TOTAL CURRENT ASSETS</b>	<u>24,081,810</u>	<u>4,962,887</u>	<u>29,044,697</u>	<u>25,051,650</u>
<b>CAPITAL ASSETS</b>				
CAPITAL ASSETS	30,301,158	14,682,894	44,984,052	42,892,226
ACCUMULATED DEPRECIATION	<u>(22,515,493)</u>	<u>(10,805,775)</u>	<u>(33,321,268)</u>	<u>(31,677,750)</u>
<b>CAPITAL ASSETS - NET</b>	<u>7,785,665</u>	<u>3,877,119</u>	<u>11,662,784</u>	<u>11,214,476</u>
OTHER ASSETS - DEFERRED CHARGES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
RESTRICTED ASSETS - PATIENT TRUST FUNDS	<u>21,415</u>	<u>55,514</u>	<u>76,930</u>	<u>255,568</u>
<b>TOTAL ASSETS</b>	<u>31,888,891</u>	<u>8,895,521</u>	<u>40,784,410</u>	<u>36,521,693</u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF NET ASSETS  
JULY 2015**

	<u>51.42/.437 PROGRAM</u>	<u>NURSING HOME</u>	<u>TOTAL</u>	<u>TOTAL 31-Jul-14</u>
CURRENT LIABILITIES:				
ACCOUNTS PAYABLE	3,914,789	0	3,914,789	3,485,642
THIRD PARTY PAYABLE	425,214	0	425,214	538,860
APPROPRIATIONS ADVANCES	1,348,858	0	1,348,858	33,213
ACCRUED LIABILITIES:				
SALARIES & RETIREMENT	1,382,673	0	1,382,673	1,374,283
PAYROLL TAXES AND WITHHOLDING	161,981	0	161,981	170,683
COMPENSATED ABSENCES	1,595,729	0	1,595,729	1,592,062
OTHER PAYABLES	72,806	0	72,806	74,611
DEFERRED REVENUE - STATE GRANTS	<u>188,560</u>	<u>0</u>	<u>188,560</u>	<u>271,761</u>
TOTAL CURRENT LIABILITIES	<u>9,090,611</u>	<u>0</u>	<u>9,090,611</u>	<u>7,541,115</u>
PATIENT TRUST FUNDS	<u>21,415</u>	<u>55,514</u>	<u>76,930</u>	<u>255,348</u>
NET ASSETS:				
INVESTED IN CAPITAL ASSETS	7,785,665	3,877,119	11,662,784	11,214,476
UNRESTRICTED	13,851,505	4,954,391	18,805,896	17,442,533
OPERATING INCOME (LOSS)	<u>1,139,694</u>	<u>8,497</u>	<u>1,148,191</u>	<u>68,219</u>
TOTAL NET ASSETS	<u>22,776,864</u>	<u>8,840,007</u>	<u>31,616,871</u>	<u>28,725,229</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>31,888,891</b></u>	<u><b>8,895,521</b></u>	<u><b>40,784,410</b></u>	<u><b>36,521,693</b></u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING JULY 31, 2015**

<b>TOTAL</b>	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
REVENUE						
Net Patient Service Revenue	<u>\$3,482,658</u>	<u>\$3,526,150</u>	<u>(\$43,492)</u>	<u>\$23,941,664</u>	<u>\$24,122,254</u>	<u>(\$180,590)</u>
OTHER REVENUE						
State Match / Addendum	325,060	325,120	(59)	2,275,422	2,275,838	(416)
Grant Revenue	196,564	184,113	12,451	1,342,270	1,288,173	54,097
County Appropriations - Net	736,232	730,192	6,040	5,153,627	5,111,345	42,283
Departmental and Other Revenue	<u>182,161</u>	<u>180,658</u>	<u>1,502</u>	<u>1,232,118</u>	<u>1,264,608</u>	<u>(32,491)</u>
Total Other Revenue	<u>1,440,017</u>	<u>1,420,083</u>	<u>19,935</u>	<u>10,003,436</u>	<u>9,939,964</u>	<u>63,473</u>
TOTAL REVENUE	4,922,676	4,946,234	(23,557)	33,945,101	34,062,218	(117,117)
EXPENSES						
Direct Expenses	3,919,124	3,544,633	374,491	24,165,762	24,070,458	95,304
Indirect Expenses	<u>1,445,812</u>	<u>1,419,039</u>	<u>26,774</u>	<u>8,703,617</u>	<u>9,854,117</u>	<u>(1,150,500)</u>
Total Expenses	<u>5,364,936</u>	<u>4,963,671</u>	<u>401,265</u>	<u>32,869,379</u>	<u>33,924,575</u>	<u>(1,055,196)</u>
Operating Income (Loss)	<u>(442,261)</u>	<u>(17,438)</u>	<u>(424,823)</u>	<u>1,075,721</u>	<u>137,642</u>	<u>938,079</u>
Nonoperating Gains (Losses):						
Interest Income	6,679	7,500	(821)	42,438	52,500	(10,062)
Donations and Gifts	5,392	0	5,392	27,032	0	27,032
Gain / (Loss) on Disposal of Assets	<u>3,000</u>	<u>0</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>	<u>3,000</u>
Total Nonoperating Gains / (Losses)	<u>15,071</u>	<u>7,500</u>	<u>7,571</u>	<u>72,470</u>	<u>52,500</u>	<u>19,970</u>
Operating Income / (Loss)	<u>(\$427,189)</u>	<u>(\$9,938)</u>	<u>(\$417,252)</u>	<u>\$1,148,191</u>	<u>\$190,142</u>	<u>\$958,049</u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING JULY 31, 2015**

	CURRENT MONTH <u>ACTUAL</u>	CURRENT MONTH <u>BUDGET</u>	CURRENT MONTH <u>VARIANCE</u>	YTD <u>ACTUAL</u>	YTD <u>BUDGET</u>	YTD <u>VARIANCE</u>
<b>51.42/.437 PROGRAMS</b>						
REVENUE						
Net Patient Service Revenue	<u>\$1,417,993</u>	<u>\$1,484,469</u>	<u>(\$66,475)</u>	<u>\$9,982,222</u>	<u>\$10,050,181</u>	<u>(\$67,958)</u>
OTHER REVENUE						
State Match / Addendum	325,060	325,120	(59)	2,275,422	2,275,838	(416)
Grant Revenue	196,564	184,113	12,451	1,342,270	1,288,173	54,097
County Appropriations - Net	594,566	588,525	6,041	4,161,964	4,119,678	42,286
Departmental and Other Revenue	<u>141,358</u>	<u>145,825</u>	<u>(4,467)</u>	<u>931,928</u>	<u>1,020,776</u>	<u>(88,847)</u>
Total Other Revenue	<u>1,257,549</u>	<u>1,243,583</u>	<u>13,966</u>	<u>8,711,584</u>	<u>8,704,464</u>	<u>7,120</u>
TOTAL REVENUE	2,675,543	2,728,052	(52,509)	18,693,807	18,754,645	(60,838)
EXPENSES						
Direct Expenses	2,209,195	1,960,546	248,648	13,196,739	13,221,372	(24,634)
Indirect Expenses	<u>778,628</u>	<u>781,803</u>	<u>(3,176)</u>	<u>4,425,436</u>	<u>5,429,016</u>	<u>(1,003,580)</u>
Total Expenses	<u>2,987,823</u>	<u>2,742,350</u>	<u>245,473</u>	<u>17,622,175</u>	<u>18,650,388</u>	<u>(1,028,213)</u>
Operating Income (Loss)	<u>(312,280)</u>	<u>(14,298)</u>	<u>(297,982)</u>	<u>1,071,632</u>	<u>104,257</u>	<u>967,375</u>
Nonoperating Gains (Losses):						
Interest Income	6,679	7,500	(821)	42,438	52,500	(10,062)
Donations and Gifts	4,468	0	4,468	22,624	0	22,624
Gain / (Loss) on Disposal of Assets	<u>3,000</u>	<u>0</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>	<u>3,000</u>
Total Nonoperating Gains / (Losses)	<u>14,147</u>	<u>7,500</u>	<u>6,647</u>	<u>68,062</u>	<u>52,500</u>	<u>15,562</u>
Operating Income / (Loss)	<u>(\$298,133)</u>	<u>(\$6,798)</u>	<u>(\$291,335)</u>	<u>\$1,139,694</u>	<u>\$156,757</u>	<u>\$982,937</u>



**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING JULY 31, 2015**

<b>NURSING HOME</b>	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
<b>REVENUE</b>						
Net Patient Service Revenue	<u>\$2,064,665</u>	<u>\$2,041,681</u>	<u>\$22,983</u>	<u>\$13,959,442</u>	<u>\$14,072,073</u>	<u>(\$112,632)</u>
<b>OTHER REVENUE</b>						
County Appropriations - Net	141,666	141,667	(1)	991,663	991,667	(4)
Departmental and Other Revenue	<u>40,802</u>	<u>34,833</u>	<u>5,969</u>	<u>300,189</u>	<u>243,833</u>	<u>56,356</u>
Total Other Revenue	<u>182,468</u>	<u>176,500</u>	<u>5,968</u>	<u>1,291,852</u>	<u>1,235,499</u>	<u>56,353</u>
<b>TOTAL REVENUE</b>	2,247,132	2,218,181	28,952	15,251,294	15,307,573	(56,279)
<b>EXPENSES</b>						
Direct Expenses	1,709,929	1,584,086	125,843	10,969,024	10,849,086	119,938
Indirect Expenses	<u>667,184</u>	<u>637,235</u>	<u>29,949</u>	<u>4,278,181</u>	<u>4,425,101</u>	<u>(146,920)</u>
Total Expenses	<u>2,377,114</u>	<u>2,221,322</u>	<u>155,792</u>	<u>15,247,205</u>	<u>15,274,187</u>	<u>(26,983)</u>
Operating Income (Loss)	<u>(129,982)</u>	<u>(3,140)</u>	<u>(126,840)</u>	<u>4,089</u>	<u>33,385</u>	<u>(29,296)</u>
<b>Nonoperating Gains (Losses):</b>						
Interest Income	0	0	0	0	0	0
Donations and Gifts	925	0	925	4,408	0	4,408
Gain / (Loss) on Disposal of Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Nonoperating Gains / (Losses)	<u>925</u>	<u>0</u>	<u>925</u>	<u>4,408</u>	<u>0</u>	<u>4,408</u>
Operating Income / (Loss)	<u>(\$129,057)</u>	<u>(\$3,140)</u>	<u>(\$125,917)</u>	<u>\$8,497</u>	<u>\$33,385</u>	<u>(\$24,889)</u>

NORTH CENTRAL HEALTH CARE  
 REPORT ON AVAILABILITY OF FUNDS  
 July 31, 2015

BANK	LENGTH	MATURITY DATE	INTEREST RATE	AMOUNT
People's State Bank	365 Days	08/21/2015	0.45%	\$500,000
Abby Bank	365 Days	08/29/2015	0.45%	\$500,000
CoVantage Credit Union	456 Days	10/01/2015	0.65%	\$500,000
People's State Bank	365 Days	10/30/2015	0.50%	\$500,000
Abby Bank	365 Days	10/29/2015	0.55%	\$500,000
River Valley Bank	365 Days	12/27/2015	0.50%	\$500,000
CoVantage Credit Union	365 Days	12/28/2015	0.599%	\$300,000
Abby Bank	365 Days	12/30/2015	0.55%	\$500,000
Abby Bank	183 Days	01/05/2016	0.65%	\$500,000
Abby Bank	730 Days	02/25/2017	0.80%	\$500,000
People's State Bank	365 Days	02/28/2016	0.45%	\$250,000
Abby Bank	365 Days	03/15/2016	0.65%	\$400,000
People's State Bank	365 Days	04/29/2016	0.50%	\$350,000
People's State Bank	365 Days	04/30/2016	0.50%	\$500,000
Abby Bank	365 Days	05/03/2016	0.50%	\$500,000
BMO Harris	395 Days	05/28/2016	0.30%	\$500,000
Abby Bank	365 Days	07/19/2016	0.75%	\$500,000
BMO Harris	395 Days	08/26/2016	0.50%	\$500,000
Abby Bank	456 Days	09/01/2016	0.95%	\$500,000
CoVantage Credit Union	456 Days	09/01/2016	1.00%	\$500,000
TOTAL FUNDS AVAILABLE				\$9,300,000
WEIGHTED AVERAGE	392.74 Days		0.594% INTEREST	

# NCHC-DONATED FUNDS

## Balance Sheet

As of July 31, 2015

### ASSETS

#### Current Assets

##### Checking/Savings

##### CHECKING ACCOUNT

Adult Day Services	4,567.35
Adventure Camp	896.14
AODA Day Services	-754.62
Birth to 3 Program	2,035.00
Clubhouse	105,790.10
Community Services - M/H	1,807.10
CSP	-492.15
Fishing Without Boundries	2,913.00
General Donated Funds	71,001.99
Housing - DD Services	1,370.47
Langlade HCC	3,103.80
Legacies by the Lake	
Music in Memory	1,922.90
Legacies by the Lake - Other	4,199.12
<b>Total Legacies by the Lake</b>	<b>6,122.02</b>
Lincoln County CSP	-175.00
Marathon Cty Suicide Prev Task	5,348.02
National Suicide Lifeline Stipe	3,176.37
Northern Valley West	1,966.00
Northwoods Alliance	8,752.92
Nursing Home - General Fund	3,050.33
Outpatient Services - Marathon	101.08
Pool	8,107.72
Prevent Suicide Langlade Co.	1,543.55
Suicide Prevention Walk	750.00
United Way	350.05

**Total CHECKING ACCOUNT** 231,331.24

**Total Checking/Savings** 231,331.24

##### Accounts Receivable

Accounts Receivable 166.00

**Total Accounts Receivable** 166.00

**Total Current Assets** 231,497.24

**TOTAL ASSETS** 231,497.24

### LIABILITIES & EQUITY

#### Equity

Opening Bal Equity 123,523.75

Retained Earnings 59,745.02

Net Income 48,228.47

**Total Equity** 231,497.24

**TOTAL LIABILITIES & EQUITY** 231,497.24

## North Central Health Care Budget Revenue/Expense Report

Month Ending July 31, 2015

ACCOUNT DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	YTD ACTUAL	YTD BUDGET	DIFFERENCE
<b><u>REVENUE:</u></b>					
TOTAL NET REVENUE	4,922,676	4,946,234	33,945,101	34,062,218	(117,117)
<b><u>EXPENSES:</u></b>					
Salaries and Wages	2,351,234	2,489,055	15,924,055	16,788,825	(864,770)
Fringe Benefits	1,135,772	1,013,181	6,164,428	6,834,202	(669,774)
Departments Supplies	537,877	432,217	3,393,030	3,019,017	374,013
Purchased Services	369,489	273,725	2,170,697	1,957,075	213,622
Utilitites/Maintenance Agreements	420,406	306,644	2,143,063	2,183,509	(40,446)
Personal Development/Travel	27,227	40,350	218,392	282,450	(64,058)
Other Operating Expenses	136,547	172,988	789,215	1,210,918	(421,703)
Insurance	45,242	48,258	294,966	337,808	(42,842)
Depreciation & Amortization	138,592	137,253	1,001,719	960,771	40,948
Client Purchased Services	<u>199,549</u>	<u>50,000</u>	<u>769,814</u>	<u>350,000</u>	<u>419,814</u>
<b>TOTAL EXPENSES</b>	<b>5,361,936</b>	<b>4,963,671</b>	<b>32,869,379</b>	<b>33,924,575</b>	<b>(1,055,197)</b>
<b>EXCESS REVENUE (EXPENSE)</b>	<b>(439,261)</b>	<b>(17,438)</b>	<b>1,075,721</b>	<b>137,642</b>	<b>938,079</b>

**North Central Health Care  
Write-Off Summary  
July 2015**

	<u>Current Month</u>	<u>Current Year To Date</u>	<u>Prior Year To Date</u>
<b><i>Inpatient:</i></b>			
Administrative Write-Off	\$10,016	\$21,289	\$2,900
Bad Debt	\$443	\$1,718	\$2,983
<b><i>Outpatient:</i></b>			
Administrative Write-Off	\$9,500	\$50,474	\$5,815
Bad Debt	\$775	\$5,558	\$19,450
<b><i>Nursing Home:</i></b>			
Daily Services:			
Administrative Write-Off	\$1,163	\$3,646	\$6,860
Bad Debt	(\$806)	\$22,494	\$1,662
Ancillary Services:			
Administrative Write-Off	\$3,615	\$25,287	\$3,320
Bad Debt	\$120	\$120	\$676
<b><i>Pharmacy:</i></b>			
Administrative Write-Off		\$0	\$0
Bad Debt		\$0	\$0
<b>Total - Administrative Write-Off</b>	<b>\$24,294.28</b>	<b>\$100,697.15</b>	<b>\$18,895.00</b>
<b>Total - Bad Debt</b>	<b>\$532.51</b>	<b>\$29,889.38</b>	<b>\$24,771.00</b>

**North Central Health Care  
2015 Patient Days**

<u>Month</u>		<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budgeted Occupancy</u>	<u>Actual Occupancy</u>
<b>January</b>	Nursing Home	6,603	6,500	(103)	88.75%	87.37%
	Hospital	403	403	0	81.25%	81.25%
<b>February</b>	Nursing Home	5,964	6,007	43	88.75%	89.39%
	Hospital	364	446	82	81.25%	99.55%
<b>March</b>	Nursing Home	6,603	6,607	4	88.75%	88.80%
	Hospital	403	439	36	81.25%	88.51%
<b>April</b>	Nursing Home	6,390	6,162	(228)	88.75%	85.58%
	Hospital	390	403	13	81.25%	83.96%
<b>May</b>	Nursing Home	6,603	6,301	(302)	88.75%	84.69%
	Hospital	403	440	37	81.25%	88.71%
<b>June</b>	Nursing Home	6,390	6,115	(275)	88.75%	84.93%
	Hospital	390	420	30	81.25%	87.50%
<b>July</b>	Nursing Home	6,603	6,380	(223)	88.75%	85.75%
	Hospital	403	428	25	81.25%	86.29%
<b>August</b>	Nursing Home Hospital					
<b>September</b>	Nursing Home Hospital					
<b>October</b>	Nursing Home Hospital					
<b>November</b>	Nursing Home Hospital					
<b>December</b>	Nursing Home Hospital					

**North Central Health Care  
Finance Committee-Analysis  
Calendar Year: 2015**

	Target	January	February	March	April	May	June	July	August	September	October	November	December	YTD
<b>Days Cash On Hand:</b>														
Invested	70	61	62	62	60	61	62	60						61
Operating		48	36	33	47	46	46	40						44
Total		109	98	95	107	107	108	100						105
<b>Average Daily Census:</b>														
Nursing Home	213	210	215	213	205	203	204	206						208
Hospital	13	13	16	14	13	14	14	14						14
<b>Days in Accounts Receivable:**</b>	55-60 days	80	79	75	72	71	67	67						67
<b>Direct Expense/Gross Patient Revenue**</b>	55%-59%	61%	51%	59%	62%	65%	60%	65%						60%
<b>Write Offs**</b>	.5%-.6%	0.18%	0.27%	0.32%	0.16%	0.59%	0.42%	0.46%						0.34%
<b>Excess Revenue (Expense):</b>														
Actual		\$10,895	\$590,281	\$28,969	\$107,200	\$287,468	\$550,567	(\$427,189)						\$1,148,191
Budget		\$56,970	\$117,322	(\$12,015)	\$57,582	(\$82,354)	\$62,582	(\$9,938)						\$190,144
Prior Year-Actual		\$124,183	\$12,296	\$31,615	(\$294,589)	(\$17,820)	\$258,622	(\$46,087)						\$68,220

\*\*Dash Board Outcomes

# **PROPOSAL FOR MULTI-DOSE MEDICATION PACKAGER PHARMACY**

**Proposal:** Purchase of a multi-dose compliance packager for medications would benefit all programs that dispense medication at North Central Health Care.

**Current state:** 30-day medication cards; one card dispensed for each medication dose dispense time.

**Proposed state:** Multi-dose envelope; all medications in the same envelope per dose dispense time. Dispensed medications are 1, 3 or 7 days, customizable to each program.

## **Nurse wins:**

1. Reduced administration time in medication preparation and administration
2. Storage footprint greatly reduced in medication carts/rooms in programs
3. Less medication errors – all medications in one pouch per dispense time
4. Less waste – current waste is \$5,000 - \$10,000 per month
5. Medication can travel with residents (especially Residential Program)

## **Pharmacy wins:**

1. Reduce errors – automation implemented
2. Inventory optimization – eliminate \$20,000 inventory in prepackaged cards
3. Increase efficiency of staff from labor-intense process to automated process
4. Audit trail of each medication – image captured of each envelope that is easily retrieved
5. Capture more business, improved revenue – Community Treatment clients

## **Resident/Client/Employee wins:**

1. Packaging improves compliance
2. Medications are not exposed to heat and therefore retain potency



**Background:**

Number of Beds:

Nursing Home:	215
Group Homes:	69
Behavior Health:	18
Community Treatment:	40
Community Treatment potential clients*:	50
Community Treatment current caseload:	216
Current Pharmacy Patients Served:	661
Current Number of Residents receiving 30-day cards:	325

**\*Potential clients include clients that were being managed from mail-order in order to obtain multi-dose packaging.**

**Equipment:** See costs attached

**Installation:** Ease of adoption; IT assistance is minimal – involves only moving of data ports and approval of system connecting before the organization’s firewall; 90 days (attached implementation plan)

**Renovations:** Moving of modular shelving that is in place.

**ROI:** based on current profit level of Community Treatment clients

Immediate growth of 50 clients from community treatment

Gross Revenue of 50 clients: 64,164/MO 769,969/YR

Net Revenue of 50 clients: 27,194/MO 326,331/YR

Net revenue minus medication expense – net profit: 6,337/MO 76,038/YR

Potential net revenue minus expense in Capture of **all CT clients:** **\$210,565/year**

Net profit of 50 new clients: 76,038 Inventory savings: \$20,000 per year **Total: \$96,038/year**

TCG complete package:	\$479,730
Shipping	5,000
Medication Cart Conversion: \$700 x 21 =	\$14,700
QS/1 Interfaces: \$5,000	
Yearly maintenance fees beginning year 2: \$16,990	
Total Cost:	\$503,430
ROI –	5.24 years
Amount Previously Budgeted =	\$210,000 (did not include automated checker)
Additional amount requested:	\$293,430