

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

September 24, 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 11:01 AM, roll call taken, and a quorum noted.

Minutes

Motion/second, Zriny/Weaver, to approve the minutes of the 8/27/15 Finance, Personnel & Property Committee meeting. Motion carried.

Financials

- The month of August showed a loss of \$386,000. There was a back payment of \$169,000 for the previous Community Support Program location and a back audit adjustment of around \$250,000 for worker's compensation premium. The audit adjustment occurs 6 months after the year end. 2015 is looking good so far. Have made an emphasis in worker's comp this past year which has had a positive impact on outcomes to date.
- Through August the organization shows an overall gain of \$762,495.
- Revenues:
 - Nursing home revenues exceeded budget for the month. The census hit target of 213. Medicare is slightly below target.
 - Hospital census averaged 14 in August and September average is at 15. Nursing home census was at 213 in August but is going down in September with a current average of 205. Medicare census is at 13 (lowest in years).
 - Have been selectively taking admissions due to staffing crisis in the nursing home.
- Expenses:
 - State institute expenses are exceeding budget targets.
 - ~ Committee members requested more detailed information on the use of the state institutes and other county location such as Trempealeau including who and why individuals are there, how many are placed, etc.
 - Human Services Operations expenses are down due to not being fully staffed.
 - Expenses overall were up in August by over \$300,000 mostly related to the back payment and worker's comp audit.

- Expenses in nursing home are high and feel they will stay high while work is being done to stabilize activity, for the recruitment of CNA's, the utilization of contracted staff for interim administrator and DON.
- So far in September health insurance is low. Anticipate high expenses for the next few months due to temporary staff in IT with ICD 10 beginning October 1, continuing to work through aging process and billing process, as well as helping with the cash application. Will continue to monitor.
- Pay and mandatory overtime have been issues in the nursing home during staffing shortages. We are
 - ~ working closely with NTC on a daily basis to create opportunities for individuals to participate in the CNA program with guaranteed full-time employment at NCHC,
 - ~ emphasizing that NCHC wages and benefit packages are better than the competition,
 - ~ implementing a new scheduling process for CNA's in an effort to reduce mandatory stay-overs, staff burn out, etc.,
 - ~ promoting positive reinforcement and that employees are valued,
 - ~ Overcoming the negative message of City Pages as it is not helping to promote a positive image of NCHC which impacts our pool of candidates.

Motion/second, Robinson/Zriny to approve the August financial statements. Motion carried.

Write-off's

- Saw a higher volume in August and anticipate a large number again in September.
- Continue to work on getting the aging off the system, improving the billing system, and creating more meaningful reports.
- With ICD 10 beginning Oct. 1 we anticipate the first billing in November may slow down billing (also a nation-wide prediction). ICD 10 is a new diagnoses related coding system (International Classification of Disease). This new system significantly increases the number of codes to learn and use – more detailed.

CFO Report

- IT vendor is focusing on ICD 10 which slows down progress on billing and clinical items.
- Staff doing excellent job getting bills out and manually billing when necessary.
- We continue to run into an issue getting cash applied as it is a tedious process and it has been difficult to get the vendor to speed up the process.
- Days in Accounts Receivable continue to improve.

2016 Health Plans

- Consortium has not progressed to where they wanted, however all participants have benefited i.e. UMR administrative fees have remained flat; stop loss has only increase 11%, payers want to keep our business, and working on multi-year plans and to avoid the Cadillac cost in 2018.

- Changes this year offer viable options: lower costs, easier to understand, more affordable for employees, employer expenses should decrease 6-9% as well as employee expenses in contributions and out of pocket, HSA will be offered, etc.

2016 Budget

- Pursuing status quo budget.
- Committee requested a special meeting in approximately two weeks to review the 2016 budget. Would like to be able to review actual census, trends, costs for out of county placements, etc.

Future agenda items

- Statistics related to inpatient
- Options relative to utilization of state institutions

Motion/second, Robinson/Zriny, to adjourn the meeting at 12:01 p.m. Motion carried.

dko