

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

November 19, 2015

11:00 a.m.

NCHC – Wausau Campus

Present:

X	Ron Nye	X	Jeff Zriny	X	Lee Olkowski
X	Bob Weaver	X	via John Robinson		
			phone		

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

The meeting was called to order 11:00 AM, roll call taken, and a quorum noted.

Minutes

Motion/second, Nye/Weaver, to approve the minutes of the 10/29/15 Finance, Personnel & Property Committee meeting. Motion carried.

Financials

- Overall the month of October showed a loss of just under \$252,000.
- Revenue volumes were not too bad; volumes were still down.
- Nursing Home Medicare bounced up to 20 which is a significant improvement from previous months; target is 23 per day.
- Hospital has been averaging 15.
- Overall revenues are above target.
- Overall payer mix was better than targets.
- Expenses have an overage of \$396,000.
 - As noted in prior months, the overage is due to contract and interim salaries in the nursing home.
 - High expenses are also related to state institutes and other organizations such as Trempealeau County.
 - High recruitment expenses in October.
 - Drugs costs related to flu shots.
- There is an overall gain of \$322,000 through October.
- Discussion included:
 - Individuals do not choose rehab care based on potential for long term stays.
 - Individuals may be transitioned to the Legacies program if appropriate for dementia services.
 - Individuals may choose an alternative location for services when we have no private rooms available.
 - Significant amount of expenses relates to providing additional services to jail; no reimbursement mechanism at this point. In 2016 Marathon County has identified \$475,000 in contingency funds for enhanced mental health services for the jail.

- To help track expenses related to these services, a separate 'program' will be identified in 2016 for jail services.
- **Motion**/second, Zriny/Weaver, to approve the October financial statements as presented. Motion carried.

Write-offs

- Slightly higher amount of write-offs in October which relates to the continuing clean up from system conversions.
- Year to date we are at target.
- Impact of ICD-10 may be seen in 3-6 months.

CFO report

- Met with Marathon County to establish a capital policy. Brad Karger will be drafting a document for review. Policy is being developed to provide more clarity on how we designate capital funding from NCHC.
 - Committee felt it would be beneficial to develop a capital policy for each county.
- NetSmart is on site working on making changes/improvements to our billing system i.e. billing directly to Medicaid rather than through a clearinghouse which will improve turnaround for payment and save us \$3,000-4,000/month just in Medicaid billing.
- IT consultant also on site this week and will be making recommendations. It is a priority to have our IT systems running effectively and efficiently. Updates will be provided.
- In preparing for audit, we will work with Wipfli to modify our reporting system to minimize confusion over the term 'intrafund transfer' noted on the balance sheet.
- Marathon County has approved \$45,000 to fund the pool study.
- The cost of enhanced mental health services to the jail in the amount of \$475,000 has not been released to NCHC. Marathon County is waiting for the performance agreement before releasing funds.

NCHC authorized bank signers

- Associated Bank has requested a formalized document of authorized signers.
- Committee felt Associated Bank should be providing a document that would be completed by the Board.

Future agenda items

- Development of a 5-year capital plan.
- Drill down on state institutions including options, expenses, underlying reasons, economic impact of transfers, etc.

Motion/second, Zriny/Weaver, to adjourn the Finance, Personnel & Property Committee meeting at 11:45 a.m. Motion carried.

dka