

**NORTH CENTRAL COMMUNITY SERVICES PROGRAM BOARD  
NURSING HOME OPERATIONS COMMITTEE**

**February 27, 2017                      8:00 AM                      North Central Health Care – Board Room**

Present:                      X                      Jean Burgener                      X<sup>via</sup><sub>phone</sub> Margaret Donnelly  
   X                      Bill Metter                      X                      Bill Miller

Also Present:                      Kim Gochanour, Brenda Glodowski  
Attending by phone:                      Sue Matis, Becky Schultz  
Guest:                      John McEwen

Meeting was called to order at 8:00 a.m.

Public Comment for Matters Appearing on the Agenda

- No public comment(s) made.

Approval of 01/27/17 Nursing Home Operations Committee Meeting Minutes

- **Motion**/second, Metter/Miller, to approve the 01/27/17 Nursing Home Operations Committee meeting minutes. Motion carried.

Financial Report

- Census averaged 187; target was 203. Target will be revised with the closing of one unit.
- Targeted loss was \$65,000, but actual loss was \$81,000.
- Although census was down, variances related to volume were also down which resulted in a positive rate variance. Received approximately \$2 Medicaid rate increase which helps offset revenue mix. We also had a better private pay mix for January which has helped.
- Medicare census was 18 with target of 20.
- Volumes for February have picked up; average census has been 189 and Medicare about 20.
- Expenses are reducing as changes occur in the nursing home.
- Although 2017 is budgeted for a loss, we are working to avoid any loss.
- Health insurance for the organization was under target by \$120,000.

Senior Executive Nursing Home Operations and Quality Report – K. Gochanour

- The decision to reduce bed capacity and transition residents have been accomplished. We have been able to improve staffing due to the consolidation and have been at or above targeted census following these changes. Experiencing a turnaround in the rehab census as well.
- Right-sizing the nursing home to get the census level stable with the proper payer mix helps to offset the Medicaid reimbursement. Governmental facilities do not limit the number of Medicaid beds as do private providers.
- Analysis of referrals for the month were provided. Additional information has been included. We have had a spike in referrals, and had 39 admissions for the month.
- We have expanded details of why someone wasn't admitted i.e. acuity too high, aesthetics, expired, etc.

- Have been working with billing and enrollment specialist on the new system which is helping to improve accounts receivables and the billing progress. Days in accounts receivable for the overall organization is 45-48 days which has greatly improved after implementing system changes.

#### Use of Contracted Labor

- Hours used: Contracted labor for nurses in Dec. 2016 was 412 hours utilized (not budgeted), Jan. 2016 was 292 hours, and Feb. 2016 was 300 through the 14<sup>th</sup>.
- Biggest opportunity area is Post-Acute Care staff vacancies.
- Aegis therapy is providing rehab services.

#### Staffing/Star Rating/Citation Analysis – K. Gochanour

- Biggest opportunity for improving staffing is with the CNA night shift.
- In October the starting wage for CNA's with experience was raised. Since that time 27 CNA's have been hired of which 6 have left (slightly over 25% turnover) which is an improvement from 63% turnover in a 3-6 month period in 2016. Changes have occurred in new employee education, onboarding and indoctrinating onto the nursing home units which can be attributed to improved turnover rate. A decrease in turnover helps to offset costs as well as the need for overtime and training more staff.
- Committee asked about reimbursement for the increase in wages. Reimbursement considers the case mix index, Medicaid targets for direct care, etc. We receive a supplemental payment given only for governmental facilities which is intended to help offset direct care costs.
  - Committee asked for more details about these costs i.e. specific dollar amounts related to the increase in wages and the effect on contracted labor used.
  - Brian Shoeneck, LeadingAge, has completed an analysis from July 2015 to June 2016. Governmental loss is \$73.38/day and slightly lower for other nursing homes.
  - Presentation may be beneficial on what goes into the Medicaid daily rate and how changes will impact the rate moving forward.
  - Would be helpful to include PPD on the income statement to better understand costs per day.
- Except for the one situation of the individual who stole credentials and was operating under a false license, we had a good survey with 4 low level cites. The one citation was an administrative tag and not for substandard level of care. Following an unsuccessful Informal Dispute Resolution (IDR) results, we pursued an appeal process and were recently notified of a penalty of about \$6700 if we dropped the appeal process. The Bureau of Quality Assurance (at the federal level) then notified us recently that they completed a total desk review, disagreed with the State determination indicating they were wrong in citing the past non-compliance, dropped the citation completely, and issued an amended nursing home statement of deficiency.
- We have implemented multiple checks to verify this situation doesn't happen again and have also implemented a full nurse competency assessment during the first quarter of employment.

#### Hospital Bed Utilization Due to Nursing Home Bed Limits – K. Gochanour/M. Donnelly

- M. Donnelly indicated that Aspirus Wausau Hospital has experienced excess days in the hospital as a result of not having nursing home beds in Marathon County.
- Have been informed that St. Clare's hospital is seeing the same trends mostly with medically complex, behavioral issues, and family dynamics.

#### Update on Nursing Home Strategic Plan with Marathon County – K. Gochanour

- RFP submissions will be opened on 3/13/17. They will be ranked and evaluated in order to make recommendations on selecting who will provide the study.
- Ultimately the new Mount View Care Center Committee will be making the recommendation on whether the County should be operating a skilled nursing facility, how it fits into the overall County plan, how to make it financially viable, and what level of support the County would provide both strategically and financially.

#### Education Plan/Material for New Nursing Home Committee Discussion

- Committee discussed the purpose of the committee and duties now that there is the new Marathon County Mount View Care Center Committee. This Nursing Home Operations Committee will continue to oversee and operate the current operation of the nursing home on behalf of the County under the existing management agreement until Marathon County decides to do something different.
- Rep. Pat Snyder, who is on the State Long Term Care Aging Committee, met with M. Loy about the inadequacy of Medicaid reimbursement. The meeting was very productive. While the Governor's budget provides for an increase in Medicaid reimbursement next year and the year after, it doesn't make a dent in the loss that is incurred. It is important to educate those involved in decision-making about how the funding and payment system works, the limit in the number of Medicaid residents private facilities accept which ultimately leads to the probability of residents receiving care out of county, and that the cost of the out of county care remains the responsibility of Marathon County.
- Will continue to have discussion at the March 24 meeting regarding clarification of committee responsibilities.
- Suggestion made to begin to build a binder for the new committee and include items such as: case mix index, CMS, difference between Medicare and Medicaid, etc.

#### Resident Council Meeting Update – K. Gochanour

- County Board Supervisor Rosenberg was invited to attend the Resident Council Meeting in February. Supervisor Robinson also attended.
- The residents were educated about the new committee.
- No questions from the Council but they wanted to be updated on their home.

**Motion**/second, Metter/Miller, to adjourn the Nursing Home Operations Committee meeting at 9:15 a.m. Motion carried.

*dko*