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OFFICIAL NOTICE AND AMENDED AGENDA

Notice is hereby given that the **North Central Community Services Program Board** will hold a meeting at the following date, time and location shown below.

Thursday, June 25, 2020 at 3:00 pm
North Central Health Care - Wausau Board Room
1100 Lake View Drive, Wausau, WI 54403

The meeting site identified above will be open to the public. However, due to the COVID-19 pandemic and associated public health directives, North Central Health Care encourages Committee members and the public to attend this meeting remotely. To this end, instead of attendance in person, Committee members and the public may attend this meeting by telephone conference. If Committee members or members of the public cannot attend remotely, North Central Health Care requests that appropriate safety measures, including adequate social distancing, be utilized by all in-person attendees.

Persons wishing to attend the meeting by phone may call into the telephone conference beginning five (5) minutes prior to the start time indicated above using the following number:

Meeting number (access code): 1-408-418-9388 Access Code: 126 165 4532 Passcode: 1234

AGENDA

1. CALL TO ORDER

2. CHAIRMAN'S ANNOUNCEMENTS

3. PUBLIC COMMENT FOR MATTERS APPEARING ON THE AGENDA
   (Limited to 15 Minutes)

4. CONSENT AGENDA

   A. Board Minutes and Committee Reports
      i. ACTION: *Motion to Approve the May 28, 2020 NCCSP Board Minutes*
      ii. Draft and Approved Minutes of Recent NCCSP Board Committees

   B. Policy Governance Monitoring Reports
      i. Executive Monthly Reports
      ii. Dashboards and Dashboard Executive Summary

   C. ACTION: *Motion to Approve Board Policies up for Annual Review*
      i. Contract Review and Approval Policy
      ii. Contracting with Excluded Individuals and Entities Policy
      iii. Business Associate Contract Management Policy

5. BOARD DISCUSSION AND ACTION

   A. CEO Report (5 Minutes) – M. Loy

   B. ACTION: *Motion to Acknowledge the Temporary Suspension of the Medically Monitored Treatment, Intensive Outpatient, Day Treatment and Sober Living Programs*

   C. ACTION: *Motion to Close the Hospice Unit at Pine Crest Nursing Home* (10 Minutes) – K. Gochanour

   D. Chief Medical Officer's June Executive Report (5 Minutes) – R. Gouthro

   E. ACTION: *Motion to Accept the May Financial Statements* (5 Minutes) – J. Meschke

   F. Operational Plan Update (5 Minutes) – J. Nickel

   G. ACTION: *Motion to Approve Updated Compensation Policy* (5 Minutes) – J. Nickel

   H. ACTION: *Motion to Approve the Agreement Between North Central Health Care and Wausau Community Development Authority for Personal & Supportive Living, Meal and Nursing Services* (5 Minutes) – M. Loy

   I. Discussion and Possible Action on Strategic Initiatives – M. Loy
      i. Achieving Zero Harm and Leading a Culture of Safety (10 minutes)
      ii. Strengthening Equity – Implications for the NCCSP Board, NCHC Management and Employees (15 minutes)

   J. Board Education – Corporate Compliance and Quality Obligations of the NCCSP Board (15 minutes) – J. Peaslee
      i. ACTION: *Motion to Approve the Corporate Compliance Program Policy*

6. BOARD CALENDAR AND FUTURE AGENDA ITEMS – M. Loy

7. BOARD EXPERIENCE OPTIMIZER – R. Wagner

8. ADJOURN

NOTICE POSTED AT: North Central Health Care
COPY OF NOTICE DISTRIBUTED TO:
Wausau Daily Herald, Antigo Daily Journal, Tomahawk Leader,
Merrill Foto News, Langlade, Lincoln & Marathon County Clerks Offices

Presiding Officer or Designee

DATE: 06/24/2020 TIME: 11:00 AM BY: D. Osowski

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NORTH CENTRAL COMMUNITY SERVICES PROGRAM
BOARD MEETING MINUTES

May 28, 2020 | 3:00 p.m. | Wausau Board Room

Present: (Present via conference phone due to Covid19 and the Governor's order for social distancing.)

X	Eric Anderson	X	Randy Balk	X	Ben Bliven
X	John Breske	X	Kurt Gibbs	X	Jason Hake
X	Lance Leonhard	X	Robin Stowe	X	Gabe Ticho
X	Pat Voermans	X	Romey Wagner	X	Bob Weaver
X	Theresa Wetzsteon	X	Jeff Zriny		

Staff Present: Michael Loy, Dr. Rob Gouthro, Jarret Nickel, Jill Meschke, Tom Boutain, Kim Gochanour, Jennifer Peaslee

Call to order

- Meeting was called to order at 3:01 p.m.

Chairman's Announcements

- None

Public Comment for Matters Appearing on the Agenda

- No public comments

ACTION: Approve Slate of Nominations of NCCSP Board Officers

- The Executive Committee, at its April 30, 2020 meeting recommended the following slate of officers for a one year term (appointed May of each year):
  - Jeff Zriny – Chair
  - Romey Wagner – Chair-Elect
  - Eric Anderson – Secretary/Treasurer
- Additional nominations were called for three times; no additional nominations were received.
- **Motion**/second, Balk/Bliven, to close the call for nominations. Motion carried.

ACTION: Election of NCCSP Board Officers

- **Motion**/second, Leonhard/Wetzsteon, to approve the following slate of officers for a one year term (appointed May of each year):
  - Jeff Zriny – Chair
  - Romey Wagner – Chair-Elect
  - Eric Anderson – Secretary/Treasurer
- Motion carried.

ACTION: Nomination and Appointment of NCCSP Board Member to the North Central Health Foundation, Inc. Board

- The Executive Committee, at its April 30, 2020 meeting, recommended that the Chair of the NCCSP Board serve as the designee on the North Central Health Foundation Board.
- Additional recommendations were called with no other recommendations received.
- **Motion**/second, Wagner/Bliven, to approve the appointment of the NCCSP Board Chair as the designee to the North Central Health Foundation, Inc. Board. Motion carried.

ACTION: Committee Assignments – Chair

- Governance Committee – main role is selecting officers for the 2021/2022 year. Recommendations for Governance Committee members include: Chair - Romey Wagner, Randy Balk, and Ben Bliven; each accepted.
    - **Motion**/second, Anderson/Hake, to approve the recommendations to the Governance Committee. Motion carried.
- Nursing Home Operations Committee has a vacancy due to the recent changes of Board members. Kurt Gibbs was asked and has agreed to fill the vacancy.
    - **Motion**/second, Leonhard/Wagner, to approve the appointment of Kurt Gibbs to the Nursing Home Operations Committee. Motion carried.

Consent Agenda

- **Motion**/second, Stowe/Ticho, to approve the Consent Agenda which includes:
    - April 16, 2020 NCCSP Board Minutes
    - April 30, 2020 Executive Committee Minutes
    - April 14, 2020 Nursing Home Operations Committee Minutes
    - Executive Operational Updates
    - Policies for Budget and Strategic Planning
    - Medical Staff Privileges for: Leandra Lamberton, MD, Brigitte Espinoza Ugaz MD, Barbara Torgerson PA-C, Kimberly Hoenecke MD, and Susan Brust APNP
- Motion carried.

Board Discussion and Action

- Presentation of the 2019 Audit – Kim Heller and Josh Boyle, Wipfli
    - A review of the 2019 Audit was provided.
    - Wipfli has issued an unmodified opinion on the combined financial statements and on internal control over financial reporting and compliance with requirements applicable to major federal and state programs as of and for the year ended December 31, 2019.
    - **Motion**/second, Hake/Leonhard, to accept the 2019 Audit. Motion carried.
    - **Motion**/second, Hake/Stowe, to accept the 2019 Fund Balance Statements. Motion carried.
- Organizational Dashboard and CEO Report – M. Loy
    - Executive Summary provided with the Dashboard contains extensive information about areas not at or exceeding target. Organizational Dashboard was reviewed.
    - Physician Recruitment Update: There was an offer out to a third physician for the inpatient unit but they took another position so recruitment continues; an offer is out to a physician who would be located physically in Lincoln and Langlade Counties; an offer is out for a child and adolescent psychiatrist who would be working on the inpatient child

unit and potentially outpatient also. Work continues to achieve our target by reducing the number of Locum Tenens Physicians.

- April 2020 Financial Statements – J. Meschke
    - **Motion**/second, Leonhard/Wagner, to accept the April 2020 Financial Statements. Motion carried.
- Operational Plan Quarterly Update – J. Nickel
    - Operational objectives are included in each of the Five Pillars i.e. People, Service, Quality Community, and Finance which match the Organizational Dashboard; highlights were reviewed.
    - COVID-19 significantly impacted our operational objectives as noted in the Wipfli report.
- Annual Review of Mission, Vision and End Statements – M. Loy
    - Approved initially in 2017 with updates in years following; no recommended changes. Board consensus occurred in regard to the recommendation.
- Overview of 2021 Budget Timeline – J. Meschke
    - 2021 budget process is under way with anticipated presentation of the completed budget at the September Board meeting.
- Priorities and Guidelines for 2021 Budget
    - For the last four years the Retained County Authority Committee identified priorities they wanted when setting our budget along with general budget guidelines. This responsibility has shifted to the Executive Committee of our Board. Given multi-year major commitments currently in progress there are just two new major priorities:
        - Continue to move towards having a full psychiatric emergency department and providing as much medical clearance on site as possible; and
        - Learn how mental health services are being delivered in jails and determine whether North Central Health Care should service these contracts in effort to improve continuity and quality of care for those we serve who are incarcerated.
    - Review of 10-Year Long-Range Financial Plan – J. Meschke
        - Presentation provided; refer to meeting packet.
        - Currently the largest factor in moving forward is how long and deep COVID-19 will impact our financial projection, otherwise achieving the viability ahead is all about executing the plan.
    - Direction on Nursing Home Census Targets – K. Gochanour
        - Presentation provided; refer to meeting packet.
        - With the decline in census at both facilities, we will be looking closely to identify appropriate size to be financially viable.
        - Consensus from the Board is to move forward with the strategies outlined when developing the 2021 budget that would suggest the size of both nursing homes needs to be reduced to meet market demand and available labor pools.

- Action: Motion to Enter into a Management Agreement with the Wausau Community Development Authority (CDA) for Care and Services Delivery at Riverview Terrace Residential Care Apartment Complex – M. Loy
    - NCHC was approached by the City to manage Riverview Terrace Residential Care complex. Currently they contract with Aspirus is for supportive, meal, and nursing services. Aspirus has decided they will no longer be providing this service and has been working in conjunction with the CDA to facilitate a transfer to NCHC.

- The details of the management agreement are under development and will be brought back to the Board for further review and consideration.

- Overview of Cerner Electronic Medical Record Implementation – T. Boutain
  - Kick-off begins in June with full implementation expected by first quarter 2021. By end of 2021 the current EHR product, TIER, will be archived.
  - This is an investment and an opportunity that should improve quality of care across the organization with a more seamless approach. Also, physician retention and satisfaction from our current EHR is a primary driver of dissatisfaction.

- Action: Motion to Approve Board Policies up for Occurrence Reporting – J. Peaslee
  - **Motion**/second, Voermans/Bliven, to approve the Occurrence Reporting Policy as presented. Motion carried.

- Action: Motion to Reconsider NCHC's Participation in Langlade County's Sober Living Project
  - History and timeline of project were reviewed.
  - Bids received for renovations were significantly higher than anticipated ($174,000 over budget).
  - Several options for moving forward are presented for consideration:
    - Cancel the bids and continue to fundraise;
    - Cancel the bids and NCHC could allow the City and County to partner on some form of the project however fundraising commitments might be at risk; or
    - Have the County borrow for the improvements and service the debt on behalf of NCHC and remove the County's tax levy funding for the program – 10 Year Note, $2,000/Month.
  - Stowe felt the motion is premature and asked to table action at this time. Langlade County has not had an opportunity to discuss the current situation due to cancelled meetings during the COVID pandemic and will be first considering the borrowing of the additional costs this next month.
  - **Motion**/second, Leonhard/Hake, to reach out to bid respondents and inquire about their willingness to extend their bids until July 1 to allow Langlade County Board time to consider how to move forward. If unwilling to extend bids, the bids would then be cancelled. Motion carried.

<u>Motion to Move into Closed Session</u>

- **Motion**/second, Leonhard/Stowe, Pursuant to Section 19.85(1) (c) and (f) Wis. Stats. for the purpose of considering employment and performance evaluation of any public employee over which the governmental body exercises responsibility, and preliminary consideration of specific personnel problems, which if discussed in public, would likely have a substantial adverse effect upon the reputation of any person referred to in such problems, including specific review of performance of employees and providers of service and review of procedures for providing services by Agency, to wit: Report of Investigations related to Corporate Compliance Activities and Significant Events, and;

  Pursuant to Section 19.85(1)(e) Wis. Stats. for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, to wit: Letter of Intent for Partnership with Northern Valley Industries, Inc.

Roll call vote; all ayes. Motion carried.

- **Motion**/second, Leonhard/Hake, to reconvene in open session. Motion carried.

Board Calendar and Future Agenda Items

- No discussion

Assessment of Board Meeting Effectiveness

- Executive Committee will work on agenda items to avoid longer than anticipated meetings.

Adjourn

Motion/second, Leonhard/Stowe, to adjourn at 6:30 p.m. Motion carried.

Minutes prepared by Debbie Osowski, Executive Assistant to CEO

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NORTH CENTRAL COMMUNITY SERVICES PROGRAM BOARD
EXECUTIVE COMMITTEE

May 21, 2020 12:00 PM NCHC – Wausau Board Room

(Present via conference phone due to Covid19 and the Governor's order for social distancing)

Present:	X	Jeff Zriny	X	Jason Hake
	X	Lance Leonhard	X	Robin Stowe

Others Present: Michael Loy, Jarret Nickel

Call to Order

- Meeting was called to order at 12:08 p.m.

Public Comment for Matters Appearing on the Agenda

- No public comment(s) made.

ACTION: Approval of 4/3/2020 Executive Committee Meeting Minutes

- **Motion**/second, Leonhard/Hake, to approve the 4/3/2020 Executive Committee meeting minutes. Motion carried.

Overview of Draft May 28, 2020 NCCSP Board Agenda

- M. Loy provided a review of the roles and responsibilities of the Executive Committee according to the Joint County Agreement and the NCCSP Board Bylaws.
    - Request made by Leonard to review temporary program changes that occurred due to the COVID pandemic at the next meeting of the Executive Committee.
- NCCSP Board Agenda for May 28, 2020 was reviewed.

CEO Report

- Lincoln County appointed Pat Voermans to the NCCSP Board and replaces Norbert Ashbeck. Voermans will continue as a member of the Nursing Home Operations Committee.
- Renovations update
    - Final walk-through of aquatic therapy center was completed. "Soft" opening June 1 to begin maintenance therapy only. Additional aquatic programs and Grand Opening will occur at a later time due to COVID.
    - Youth Hospital and Crisis Stabilization facility is on track for opening in August.
    - Skilled nursing tower construction has begun. All concrete should be poured and structure enclosed before winter. Slated for completion in summer 2021.
    - Hospital renovation design work has begun followed by bid process in June. Construction to begin in Fall 2020.

Financials

- April had a positive variance of $613,000 largely due to receiving $1.1 million in CaresAct funding from the federal government. Without the CaresAct funding financials would have shown a $600,000 loss which was on target based on our month to month projections. Financials continue to be monitored closely.
- Sober Living bids were received and above budget. Project team will be meeting to review bids and discuss plans for construction.
- Continue to search for property for a youth crisis stabilization facility. Goal is to identify the property in next 1-2 weeks to stay within timeline.
- After further review, it was determined that we will not be partnering with the UW of Wisconsin on the 2-1-1. State-wide crisis call center us at this time.
- Applications for the legal counsel position will be reviewed with Marathon County Corporation Counsel and County Administrator. Interviews to occur next month.
- Committee was briefed that for being accredited and an approved youth crisis facility states that we must be open and operating for several months to establish a track record before being eligible for receiving reimbursement by Medicare and Medicaid. Billing cannot be retroactive. Therefore, a negative variance of approximately $100,000-$300,000 is likely during the first few months of operation.
    - Question asked if there would be the possibility of allowing admissions outside of the tri-county area to help offset these initial costs. The three counties would need to be in agreement. Further exploration will be done.

<u>Review of CEO and Board Work Plan for 2020</u>

- Work plan was reviewed and will be included in the Executive Committee and Board meeting packets moving forward.

<u>Discussion on 2021 Budget Guidelines and Priorities</u>

- In the past the RCA discussed guidelines of structure, reporting and priorities from a program standpoint during April/May with a report to the full board at the annual meeting in May.
    - Structure of budget feedback was well done and no changes recommended for 2020. The three counties had initially felt a priority is developing a better understanding of case management and supervision i.e. court orders, youth crisis stabilization which have been addressed through the master facility plan. No discussions for 2021 have started.
    - M. Loy provided the Executive Team with 2021 budget guidelines and discussed with Committee for additional recommendations and directions.
        - Implement/complete items from prior 2019/2020
        - Re-examine providing mental health services in the jail
        - Bolster providing psychiatric medical clearance; currently providing about 60% of medical clearance during COVID
        - HSRI strategic plan recommendations
        - Sober Living facility in Langlade County remodel and operational

Board Calendar

- No Board meeting scheduled for June
- Meeting in July is early i.e. July 16
- Executive Committee meetings will be scheduled the 3rd Thursday of the month from 3-4p.m. moving forward (July 16 meeting will be moved to July 9)

Future Agenda Items

- Review program expectations and performance standards

Adjourn

- **Motion**/second, Stowe/Leonhard, to adjourn the meeting at 1:05 p.m. Motion carried.

Minutes prepared by Debbie Osowski, Executive Assistant to CEO

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NORTH CENTRAL COMMUNITY SERVICES PROGRAM BOARD
NURSING HOME OPERATIONS COMMITTEE

May 21, 2020 **3:00 PM** **Conference Call**

Present:	X	Jeff Zriny	X	Paul Gilk	X	Bob Weaver
	X	Cindy Rider	X	Pat Voermans	X	Romey Wagner

Staff: Michael Loy, Jarret Nickel, Kim Gochanour, Jill Meschke, Connie Gliniecki, Zach Ziesemer, Ryan Hanson

Guests: Kevin Stevenson

Call to Order

- Meeting was called to order at 3:01 p.m.

Public Comment for Matters Appearing on the Agenda

- No public comment.

ACTION: Approval of April 14, 2020 Nursing Home Operations Committee Minutes

- **Motion**/second, Voermans/Rider, to approve the April 14, 2020 Nursing Home Operations Committee minutes. Motion carried.

Financial Report – J. Meschke

- Mount View Care Center (MVCC) showed a $400,000 gain in April compared to target and YTD at $245,000 compared to budgeted gain of $27,000. MVCC received a CaresAct payment of $486,000 otherwise there would be a loss of $86,000 for the month and $242,000 YTD. Overall census is 160 compared to target of 183; a decrease from first quarter average of 169. The Vent unit had an average census for April of 9 compared to target of 13. Overall expenses are slightly below budget.
- Pine Crest Nursing Home (PCNH) showed a loss of $43,000 with target of about break even. YTD there is an approximate loss of $37,000 compared to a budgeted loss of $2,000. PCNH received a CaresAct payment of $88,000 which would have increased the loss to $131,000, however, we received notice that another $125,000 in CaresAct will be recorded in May. PCNH census continues to be a challenge averaging 130. YTD direct expenses are favorable to budget of about $209,000.
- Forecasting the budget month to month during the COVID pandemic will continue. Census continues to be the challenge.
- While CaresAct payments are being received automatically, we continue to look for other programs for assistance and are working to reclaim Personal Protective Equipment (PPE) expenses and COVID leave dollars. It is recognized that CaresAct funding is temporary and operations cannot continue on 'one-time' funding, rather, the challenge is bringing revenues in line and by developing additional financial plans to maintain costs.

Nursing Home Operations Reports

- Mount View Care Center – Connie Gliniecki
    - New certified nursing assistant program opportunity arose during the Covid pandemic provides a means to train and work in a much shorter timeframe. The first class has been completed with several more classes scheduled over the next few months. An extension of this program is expected to be approved soon.
    - The low Patient Experience score for post-acute care was due to one survey response and extenuating circumstances for the individual receiving care.
    - Number of falls continues to be a focus area with 15 of the 21 falls occurring in the dementia program. A QAPI process (Quality Assurance Performance Improvement) is in place examining all falls in an effort to reduce the number of falls.
    - We continue to have good collaborative practice with Aspirus to address and reduce the number of readmissions.
    - Most referrals were from out of county; of 60 referrals 16 were admitted
        - From a county perspective, out of county residents cared for within our facility would be subsidized by our county for those on Medicaid where there would be a loss of $70-$80/day.
        - There is the ability to establish consortiums, usually for specific types of care, in order to recoup costs from other counties but it's a break-even proposition at best.
        - Referrals are considered for placement at both Pine Crest and Mount View.

- Pine Crest Nursing Home – Z. Ziesemer
    - Several positions have been filled which will be reflected in May; taking part in CNA clinical rotations in coordination with MVCC and 3 hospitality aides will transition to CNA's at Pine Crest. Not seeing too many new CNA's apply.
    - Working to diversify the activity program due to inability for group activities; promote staff walking with residents, tracking steps, etc. in effort to reduce falls
    - Hospital readmissions increased in April and are working to educate staff.
    - Referrals were down along with a significant decrease in admissions over the last few months.
    - Several expense outliers included a buyout of a nurse taking a full-time night position (should pay off by November), and a resident with a newly prescribed high cost medication (will be receiving a credit in May).
    - Residents must have face to face contact with physician within 30 days of admission, and every 30 days through the first 90 days, then every 60 days. Physicians do not want to provide this type of care. Working with the Post-Acute Team from Aspirus on a solution.

Regional Nursing Home Operations Executive Report – K. Gochanour

- An extension of Nurse Aide Waiver for the accelerated training program has been received. First graduating class of 6 completed; next class of 6 begins June 2 and will continue through summer in both buildings.

- Continue to monitor and participate in ICAR practices. It was noted that we have one of the best supplies of PPE on hand – all thanks to Tom Boutain and Kelly Henke-Kaiser for searching for and obtaining supplies.
- Have seen an increase in fall risks and are diligently working to prevent falls.
- Continue to see a decline in occupancy.
- Monitoring state and federal funding during the pandemic. Anticipate more to report next month.
- Both Z. Ziesemer and K. Gochanour have been appointed to the LeadingAge Board. Ziesemer is in his second year; Gochanour is beginning year one.
- Pine Crest will be transitioned into the CCIT network in June and the pharmacy transition is on schedule for July.
- Admission Criteria Policy Consideration:
    - Create a policy that allows for transition of admissions between Pine Crest and Mount View. Policy would state that if a bed was not available or appropriate at the preferred facility, transitions/transfers could be made between facilities as necessary.
    - Committee agreed this is a good concept and asked that a policy statement be developed and brought back for further review and consideration.
- 2021 Budgeted Census Proposal
    - Census declined significantly over the past 5 years for a number or reasons i.e. most recently due to the COVID19 pandemic, increase in other available care facilities/options in market, increased caring for loved ones at home, etc.
    - Previous consulting reports from 2006, 2012, and 2017 predicted a decline in occupancy and the forecasts were accurate.
    - Staffing continues to be a challenge which leads to additional financial implications in overtime costs and agency labor costs.
    - 2020 will be continual monitoring and realigning month by month.
    - Planning for 2021 will consist of an in-depth review of occupancy and the potential consideration of placing beds in reserve and/or an actual reduction in licensed beds.
    - MVCC renovation plans may change based on the anticipated occupancy level and mix as it relates to market demand, etc.
    - Committee supports continued analysis and review.
- Vision for Skilled Nursing at North Central Health Care – M. Loy
    - Why are counties in the nursing home business and why is it important to have access to services in communities? The counties have an obligation to care for the protectively placed within their communities. There have been progressively fewer protectively placed individuals over the years as families have thought through and planned differently for this stage of life. If there is also sufficient access to long-term beds, then it decreases the need for protective placements. If counties do not have access to services for those protectively placed within their own counties, the individuals would be diverted to other counties but the responsibility remains that of their county. Cost of care to contract for this level of service would equal or exceed the current tax levy.
    - Medicare and Medicaid under fund programs forcing the market to orient towards lower cost community placed options, consolidating beds available in the

marketplace. Eventually supply will meet demand and then demand will exceed supply which counties will need to respond to as it may become a long-term care crisis. Government response would then likely be to improve reimbursement to incentivize the development of additional supply if demand is far outpacing the supply.

- The changing scope of nursing homes is long term care is largely getting carved out to a lower level of care (home health, assisted living) and entering a nursing home is more apt to be at end of life or for high level of care.
- We benefit in providing higher medical services to long term care and post-acute care along with being a specialty provider of care i.e. dementia care.
- Also, we need to pivot to be financially viable to new a normal and market reality.
- Don't feel county should move away from nursing home care; those who don't have it will be struggling.
- With new members on county boards, it was felt this presentation would be beneficial at an upcoming Lincoln County Board meeting this summer to see the importance of NCHC and the services provided as well as a better understanding of budget as issues and challenges face our nursing homes.

Future Agenda Items

- Food Procurement (when more information is available)

Note: Will be looking at a different meeting date/time due to conflict with LeadingAge Board meetings now that both Z. Ziesemer and K. Gochanour are members.

Adjourn

- **Motion**/second, Gilk/Weaver, to adjourn the Nursing Home Operations Committee meeting at 4:28 p.m. Motion carried.

Minutes prepared by Debbie Osowski, Executive Assistant to CEO

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MEMORANDUM

DATE: June 18th, 2020
TO: North Central Community Services Program Board
FROM: Jarret Nickel, Operations Executive
RE: Monthly Operations Report

The following items are general updates and communications to support the Board on key activities and/or updates of Information Services since our last meeting:

1. **Workforce Status:** May was an excellent recruitment month with 36 individuals joining our organization. Turnover slowed down with 16 people leaving our organization which resulted in a positive variance of 20 which directly impacted our vacancy rate and hitting our target for the first time in 2020. Our community continues to be affected by COVID-19 which has resulted in a slow reopening of services with a number of employees still working in redeployed positions until our operations reflect our new normalcy going forward.

2. **Certified Nursing Assistant Program:** Our Certified Nursing Assistant Program continues to have high enrollment with the next two offerings at full capacity. We've seen positive community impact with this program by offering employment opportunities to those who either may have lost their job or had reduced wages and are looking for a new career path. We plan to continue this program for the foreseeable future to address our staffing needs as well as the community needs for the counties in which we operate.

3. **Marketing & Communications:** We continue to use our communication channels and outlets developed in April and May to connect with our staff and community. Our Aquatics program opened at the beginning of June and with this a large amount of communication was released to area referral sources and community members to ensure they remain informed of our operations at this time. We also have started a recording for all of our skilled nursing families and guardians to update them on COVID-19 and any testing that has taken place as well as outside visits and other important information, these calls have been occurring weekly and allow families to stay in touch with their loved ones at our campuses.

4. **Community Living:** While the majority of the headlines you read focus on skilled nursing facilities or hospitals our Community Living Programs were significantly impacted by COVID-19. We've followed the same visitor restrictions as our skilled nursing facilities and have had to limit the number of group activities occurring. Our Adult Day Services Program was shut down for the majority of May and we have started to reopen with smaller groups while maintaining social distancing and appropriate personal protective equipment. Our goal is to continue slowly opening over the month of June while constantly reviewing the program for safety and effectiveness with the new operating conditions.

5. **<u>Orientation & Onboarding</u>:** When COVID-19 impacted our communities we had to quickly adjust how we brought new employees into our organization and did this completely virtual for almost two months. This was a great test of our capabilities to adjust and adapt to new conditions but was something we knew wouldn't be ideal to have indefinitely. For May we focused on a hybrid orientation with some of the modules occurring virtual and others in person in small group settings, this has been extremely successful and likely will be a permanent change to our orientation going forward. As noted in the workforce status report we hired 36 employees in May compared to average of 18 in 2019, as a result we committed to changing our orientation from occurring every three weeks to occurring bi-weekly. This change is a large administrative burden but provides new employees flexibility in orientation dates and allows our programs to have shorter vacancy timelines.

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MEMORANDUM

DATE: June 12, 2020
TO: North Central Community Services Program Board
FROM: Kim Gochanour, Nursing Home Operations Executive
RE: Nursing Home Operations Report

The following items are general updates and communication to support the Board on key activities and/or updates of the Nursing Home Operations since our last meeting.

1) **Covid 19:** In May the teams are continuing to adapt to our new normal. With the increased availability of tests, it was highly recommended that all nursing homes test all residents and staff. NCHC participated in this testing and all staff and residents tested negative. We were also informed that all nursing homes would have an infection control survey for Covid-19 that the state must complete by July 31, 2020 this year. Both Mount View and Pine Crest had their desk reviews but only Mount View has completed the full survey process with no deficient findings.

2) **Monitoring of State and Federal Funding:** Ongoing efforts continue with Department of Health Services and Leading Age Wisconsin for regulation and financial changes to our Medicaid payment model. LeadingAge Wisconsin continues to advocate for a significant increase in our Medicaid rates and is working with the Legislature as well. From the State Cares Act, $100 million was allotted for skilled nursing homes, ambulance providers and Assisted Living. We are currently working on the application to receive additional funding for both facilities. LeadingAge is actively lobbying on skilled nursing facilities' behalf on the ever increasing forfeitures and restrictions that they are proposed from CMS. With this increasing monetary and regulatory pressure, the industry is concerned of further nursing home closures.

3) **Aquatic Therapy Pool:** We were able to reopen the new pool June 1 by limiting the number to 10 or less and for physical therapy and maintenance clients only. We are currently working through the processes of adjusting to a new building and look forward to our open house slotted for July.

4) **Pine Crest Transition:** OnShift scheduling software implementation was started mid-May and continued with a go live date on June 4, 2020. The team is working on finalizing the pharmacy transition for July 2020. IT server conversion has a date set for July to transition to our servers.

5) **Certified Nursing Assistant Course:** In April we applied and received the emergency nurse aide training site for both Mount View and Pine Crest. So far we have held 2 classes and have had 10 complete the course. Scheduled and in process through August we have an additional 17 scheduled to be trained through August.

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MEMORANDUM

DATE: June 15, 2020
TO: North Central Community Services Program Board
FROM: Thomas Boutain, Information Services Executive
RE: Monthly IS Report

The following items are general updates and communications to support the Board on key activities and/or updates of Information Services since our last meeting:

1. **Behavioral Health EHR Update:** On June 2nd we kicked off the Cerner implementation which consisted of 3 days of virtual meetings to align the teams and set expectations. Over the last week our internal teams along with the Cerner team have started to gather the information to build out our core/base environment. We are on schedule to have our own test environment operational before the end of June.

2. **Network Integration at Pine Crest and Lincoln Industries:** Lincoln Industries was successfully integrated into the NCHC network on June 4th. Preparations are taking place to integrate Pine Crest into the NCHC network. Estimated implementation date is July 20th.

DEPARTMENT: NORTH CENTRAL HEALTH CARE								FISCAL YEAR: 2020								
PRIMARY OUTCOME GOAL	⇵	TARGET	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2020 YTD	2019
PEOPLE																
Vacancy Rate	↘	7-9%	10.3%	8.0%	8.1%	8.9%	6.5%								8.4%	9.6%
Retention Rate	↗	82-84%	97.9%	96.7%	94.9%	93.7%	90.8%								81.1%	85.1%
SERVICE																
Patient Experience	↗	81-83%	84.1%	90.5%	88.0%	89.8%	86.3%								87.9%	81.0
QUALITY																
Hospital Readmission Rate	↘	10-12%	20.0%	8.2%	6.6%	7.0%	8.1%								10.2%	11.9%
Nursing Home Readmission Rate	↘	10-12%	14.8%	4.2%	12.8%	16.7%	9.1%								11.5%	11.4%
Nursing Home Star Rating - MVCC	↗	4 Stars	★★★	★★★	★★★	★★★	★★★								★★★	★★
Nursing Home Star Rating - Pine Crest	↗	4 Stars	★★★	★★★	★★★	★★★	★★★								★★★	★★★
Zero Harm - Patients	↘	Monitoring	0.69	0.65	0.49	0.78	1.07								0.74	0.64
Zero Harm - Employees	↘	Monitoring	1.08	0.00	4.70	3.16	3.27								2.32	3.60
Out of County Placements	↘	220 per month	483	360	229	232	287								318	320
Hospital Length of Stay - NCHC	↘	Monitoring	6.34	6.15	5.99	5.88	5.78								6.03	5.86 Days
Hospital Length of Stay - Diversions	↘	Monitoring	10.85	13.39	12.74	10.07	7.38								10.89	7.45 Days
COMMUNITY																
No Show Rate (OP/Psychiatry)	↘	8-10%	20.1%	18.1%	18.1%	18.9%	17.8%								18.6%	12.9%
Hospitalization Rate	↘	Monitoring	1.36%	1.19%	1.29%	1.05%	1.31%								1.25%	/
FINANCE																
Direct Expense/Gross Patient Revenue	↘	60-62%	71.8%	70.2%	70.0%	76.2%	72.3%								72.0%	71.1%
Indirect Expense/Direct Expense	↘	39-41%	35.8%	38.8%	37.9%	40.1%	42.1%								38.8%	33.5%
Average Cost Per Day	↘	$67,000-$70,000	$81,197	$82,542	$73,304	$94,807	$79,437								$82,171	$76,395
Net Income	↗	2-3%	-3.8%	-2.6%	-2.5%	7.4%	8.4%								1.1%	-4.5%

↗ Higher rates are positive
↘ Lower rates are positive

DASHBOARD MEASUREMENT OUTCOME DEFINITIONS AND DETAILS

PEOPLE	
Vacancy Rate	Monthly calculation: total number of vacant FTE at month end divided by the total authorized FTE as of month end. YTD calculation: Average of each monthly vacancy rate.
Retention Rate	Monthly calculation: total number of employees onboard as of January 1 divided by the number of the same employees employeed at month end. YTD calculation: Projected ending balance as of year end based upon assumed same percentage decline as average of prior months.
SERVICE	
Patient Experience	Press Ganey - Likelihood of your recommending this facility to others Mean Score
QUALITY	
Hospital Readmission Rate	Percent of patients who are readmitted within 30 days of discharge from the Inpatient Behavioral Health hospital for Mental Health primary diagnosis. *Benchmark: American Health Care Association/National Center for Assistive Living (AHCA/NCAL) Quality Initiative*
Nursing Home Readmission Rate	Number of residents re-hospitalized within 30 days of admission to nursing home / total admissions. *Benchmark: American Health Care Association/Centers for Medicare & Medicaid Services (AHCA/CMS)*
Nursing Home Star Rating	Star rating as determined by CMS Standards for both Pine Crest and MVCC.
Zero Harm Patients	Patient Adverse Event Rate: # of actual harm events that reached patients/number of patient days x1000
Zero Harm Employee	Monthly calculation: # of OSHA reportables in the month x 200,000/payroll hours paid within the month. YTD calculation: # of OSHA reportables YTD x 200,000/payroll hours paid YTD.
Out of County Placement	Number of involuntary days that patients spend in out of county placements who have discharged in month of report.
Hospitalization Length of Stay - NCHC	Average length of stay for patients on the NCHC psychiatric hospital unit who have discharged in month of report.
Hospitalization Length of Stay - Diversions	Average length of stay for patients on out-of-county placements that have discharged in month of report.
COMMUNITY	
No Show Rate	Average daily same day cancellation and no-show rate for outpatient counseling or psychiatry patients.
Hospitalization Rate	The number of active patients of any mental health service (Crisis, Community Treatment, Counseling, Psychiatry, IOP/Day Treatment, MMT, Crisis CBRF) who are hospitalized for psychiatric needs within current month, divided by all active patients for those services.
FINANCE	
Direct Expense/Gross Patient Revenue	Percentage of total direct expense compared to gross revenue.
Indirect Expense/Direct Revenue	Percentage of total indirect expenses compared to direct expenses.
Average Cost Per Day	Total expenses less net patient revenue (billed revenue) divided by the total days in the specified period.
Net Income	Net earnings after all expenses have been deducted from revenue.

2020 - Primary Dashboard Measure List

↗ Higher rates are positive
↘ Lower rates are positive

Department	Domain	Outcome Measure	⇵	2019	Benchmark	Target Level	2020 YTD
North Central Health Care	People	Vacancy Rate	↘	9.6%		7-9%	8.4%
		Retention Rate	↗	85.1%		82-84%	81.1%
	Service	Patient Experience	↗	81.0		81-83%	87.9%
	Quality	Hospital Readmission Rate	↘	11.9%		10-12%	10.2%
		Nursing Home Readmission Rate	↘	11.4%		10-12%	11.5%
		Nursing Home Star Rating - MVCC	↗	★★		4 Stars	★★★
		Nursing Home Star Rating - Pine Crest	↗	★★★		4 Stars	★★★
		Zero Harm - Patients	↘	0.64		Monitoring	0.74
		Zero Harm - Employees	↘	3.60		Monitoring	2.32
		Out of County Placements	↘	320	/	220 per month	318
		Hospital Length of Stay - NCHC	↘	5.86 Days		Monitoring	6.03
		Hospital Length of Stay - Diversions	↘	7.45 Days		Monitoring	10.89
	Community	No Show Rate	↘	12.9%		8-10%	18.6%
		Hospitalization Rate	↘	/	/	Monitoring	1.25%
	Finance	Direct Expense/Gross Patient Revenue	↘	71.1%	/	60-62%	72.0%
		Indirect Expense/Direct Expense	↘	33.5%	/	39-41%	38.8%
		Average Cost Per Day	↘	$76,395	/	$67,000-$70,000	$82,171
		Net Income	↗	-4.5%	/	2-3%	1.1%

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Clubhouse	People	Vacancy Rate	↘	5-7%	0.0%
		Retention Rate	↗	82-84%	40.0%
	Service	Patient Experience	↗	81-83%	92.9%
	Quality	Zero Harm - Patients	↘	Monitoring	0.02
		Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Net Income	↗	$652 - $978 per month	($3,450)

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Community Treatment	People	Vacancy Rate	↘	7-9%	1.9%
		Retention Rate	↗	82-84%	84.2%
	Service	Patient Experience	↗	81-83%	92.8%
	Quality	Zero Harm - Patients	↘	Patients	0.08
		Zero Harm - Employees	↘	Employees	2.32
	Community	Hospitalization Rate	↘	Monitoring	1.62%
	Finance	Net Income	↗	$21,802 - $32,703 per month	$92,455

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Crisis & CBRF	People	Vacancy Rate	↘	7-9%	7.3%
		Retention Rate	↗	82-84%	64.7%
	Service	Patient Experience	↗	81-83%	76.7%
	Quality	Zero Harm - Patients	↘	Patients	5.59
		Zero Harm - Employees	↘	Employees	2.32
	Community	Hospitalization Rate	↘	Monitoring	2.65%
	Finance	Net Income	↗	$6,091 - $9,136 per month	$6,369

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD

Hospital	People	Vacancy Rate	↘	7-9%	20.3%
		Retention Rate	↗	82-84%	49.1%
	Service	Patient Experience	↗	81-83%	81.6%
	Quality	Hospital Readmission Rate	↘	10-12%	10.2%
		Zero Harm - Patients	↘	Monitoring	6.33
		Zero Harm - Employees	↘	Monitoring	2.32
		Out of County Placements	↘	220 per month	318
		Hospital Length of Stay - NCHC	↘	Monitoring	6.09
		Hospital Length of Stay - Diversions	↘	Monitoring	10.89
	Finance	Net Income	↗	$11,341 - $17,012 per month	($186,420)

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
MMT	People	Vacancy Rate	↘	5-7%	13.4%
		Retention Rate	↗	82-84%	59.9%
	Service	Patient Experience	↗	81-83%	82.3%
	Quality	Zero Harm - Patients	↘	Monitoring	0.00
		Zero Harm - Employees	↘	Monitoring	2.32
		Hospitalization Rate	↘	Monitoring	5.63%
	Finance	Net Income	↗	$2,594 - $3,892 per month	($45,887)

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Outpatient	People	Vacancy Rate	↘	7-9%	4.9%
		Retention Rate	↗	82-84%	71.7%
	Service	Patient Experience	↗	81-83%	96.0%
	Quality	Zero Harm - Patients	↘	Monitoring	0.15
		Zero Harm - Employees	↘	Monitoring	2.32
	Community	No Show Rate	↘	8-10%	20.3%
		Hospitalization Rate	↘	Monitoring	0.75%
	Finance	Net Income	↗	$5,774 - $8,661 per month	($7,390)

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Psychiatry	People	Vacancy Rate	↘	5-7%	0.0%
		Retention Rate	↗	82-84%	100.0%
	Service	Patient Experience	↗	81-83%	81.8%
	Quality	Zero Harm - Patients	↘	Monitoring	0.00
		Zero Harm - Employees	↘	Monitoring	2.32
	Community	No Show Rate	↘	8-10%	16.5%
		Hospitalization Rate	↘	Monitoring	1.20%
	Finance	Net Income	↗	$10,386 - $15,578 per month	($50,283)

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Day Services	People	Vacancy Rate	↘	7-9%	0.0%
		Retention Rate	↗	82-84%	83.4%
	Service	Patient Experience	↗	81-83%	98.8%
	Quality	Zero Harm - Patients	↘	Monitoring	0.71
		Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Net Income	↗	$6,481 - $9,721 per month	($21,497)

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Residential Group Homes	People	Vacancy Rate	↘	7-9%	11.7%
		Retention Rate	↗	82-84%	100.0%
	Service	Patient Experience	↗	81-83%	94.1%
	Quality	Zero Harm - Patients	↘	Monitoring	0.24
		Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Net Income	↗	$3,463 - $5,195 per month	$27,565

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Residential Services	People	Vacancy Rate	↘	7-9%	12.3%
		Retention Rate	↗	82-84%	100.0%
	Service	Patient Experience	↗	81-83%	94.6%
	Quality	Zero Harm - Patients	↘	Monitoring	0.88
		Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Net Income	↗	$3,845 - $5,768 per month	($7,701)

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Aquatic	People	Vacancy Rate	↘	5-7%	0.0%
		Retention Rate	↗	82-84%	100.0%
	Service	Patient Experience	↗	81-83%	97.8%
	Quality	Zero Harm - Patients	↘	Monitoring	0.00
		Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Net Income	↗	$2,275 - $3,413 per month	($5,066)

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
MVCC	People	Vacancy Rate	↘	7-9%	13.5%
		Retention Rate	↗	82-84%	79.6%
	Service	Patient Experience	↗	81-83%	89.3%
	Quality	Nursing Home Readmission Rate	↘	10-12%	9.1%
		Nursing Home Star Rating - MVCC	↗	4 Stars	★★★
		Zero Harm - Patients	↘	Monitoring	0.39
		Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Net Income	↗	$38,717 - $58,705 per month	$154,532

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Pine Crest	People	Vacancy Rate	↘	7-9%	7.8%
		Retention Rate	↗	82-84%	84.2%
	Service	Patient Experience	↗	81-83%	85.1%
	Quality	Nursing Home Readmission Rate	↘	10-12%	13.8%
		Nursing Home Star Rating - Pine Crest	↗	4 Stars	★★★
		Zero Harm - Patients	↘	Monitoring	0.71
		Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Net Income	↗	$24,836 - $37,253 per month	$52,106

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Housekeeping and Laundry	People	Vacancy Rate	↘	7-9%	6.1%
		Retention Rate	↗	82-84%	89.2%
	Quality	Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Indirect Expense/Direct Expense	↘	$240,530 - $252,577 per month	$353,869

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Nutrition Services	People	Vacancy Rate	↘	7-9%	9.4%
		Retention Rate	↗	82-84%	71.2%
	Quality	Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Indirect Expense/Direct Expense	↘	$307,271 - $319,410 per month	$267,421

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Business Operations	People	Vacancy Rate	↘	5-7%	1.9%
		Retention Rate	↗	82-84%	100.0%
	Quality	Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Indirect Expense/Direct Expense	↘	$79,051 - $83,004 per month	$76,976

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Human Resources	People	Vacancy Rate	↘	5-7%	3.3%
		Retention Rate	↗	82-84%	52.0%
	Quality	Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Indirect Expense/Direct Expense	↘	$66,540 - $69,867 per month	$52,581

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Informatics	People	Vacancy Rate	↘	5-7%	5.0%
		Retention Rate	↗	82-84%	100.0%
	Quality	Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Indirect Expense/Direct Expense	↘	$233,098 - $244,753 per month	$221,587

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Marketing & Communication	People	Vacancy Rate	↘	5-7%	0.0%
		Retention Rate	↗	82-84%	100.0%
	Quality	Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Indirect Expense/Direct Expense	↘	$30,969 - $32,518 per month	$28,953

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Organizational Development	People	Vacancy Rate	↘	5-7%	0.0%
		Retention Rate	↗	82-84%	100.0%
	Quality	Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Indirect Expense/Direct Expense	↘	$48,344 - $50,751 per month	$29,360

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Patient Access Services	People	Vacancy Rate	↘	5-7%	1.4%
		Retention Rate	↗	82-84%	76.0%
	Quality	Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Indirect Expense/Direct Expense	↘	$57,705 - $60,590 per month	$50,863

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Patient Financial Services	People	Vacancy Rate	↘	5-7%	0.0%
		Retention Rate	↗	82-84%	100.0%
	Quality	Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Indirect Expense/Direct Expense	↘	$70,757 - $74,295 per month	$66,764

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Pharmacy	People	Vacancy Rate	↘	5-7%	1.9%
		Retention Rate	↗	82-84%	100.0%
	Quality	Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Net Income	↗	$10,804 - $16,206 per month	$44,697

Department	Domain	Outcome Measure	⇵	Target Level	2020 YTD
Transportation	People	Vacancy Rate	↘	5-7%	0.0%
		Retention Rate	↗	82-84%	100.0%
	Quality	Zero Harm - Employees	↘	Monitoring	2.32
	Finance	Net Income	↗	$720 - $1,080 per month	$9,425

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Dashboard Executive Summary

June 2020

Organizational Dashboard Outcomes

People

- **Vacancy Rate**

  The Vacancy Rate target range for is 7.0 - 9.0%. For the first time this year we have achieved our vacancy rate target at 6.5% for the month of May and 8.4% year to date. This change is in large part due to an increased energy on recruitment with unemployment being up including the development of an internal Certified Nursing Assistant course.

- **Employee Retention Rate**

  The Employee Retention Rate target range for is 82.0 – 84.0%. We continue to exceed target on a monthly basis however trending for the year we are at 81.1% which is slightly below target. We continue to develop initiatives to increase retention however COVID-19 has impacted these greatly and the motivation to work healthcare has been diminished.

Service

- **Patient Experience**

  NCHC Patient Experience target is 81-83%. We are measuring patient experience via mean score of responses to the likelihood of recommending this facility to others. For the fifth month in a row, we have exceeded our patient experience score at 86.3% which gives us a year to date total of 87.9%.

Quality

- **Hospital Readmission Rate**

  The Readmission Rate is a combined measure consisting of the total number of residents re-hospitalized within 30 days of admission and the percent of patients who are readmitted within 30 days of discharge from the inpatient behavioral hospital for mental health primary diagnosis. The April hospital readmission rate exceeded target again at 8.1%. Overall year to date, hospital readmissions are in the target range at 10.2%.

- **Nursing Home Readmission Rate**

  The nursing home readmission rate is based on the number of residents re-hospitalized within 30 days of admission to the nursing home. The combined rate for May between the two facilities was a readmission rate of 9.1% and year to date we are within target with an 11.4% readmission rate. The May rate shows an overall improvement for Pine Crest with Mount View remaining consistent within targeted range.

- **Nursing Home Star Rating - MVCC**
  We have a target of 4 Stars for both buildings using the Nursing Home Star Rating as determined by CMS Standards. The current rating is a 3 Star as of May. Due to new Covid-19 guidelines, CMS and the State have suspended all recertification surveys at this time which will eliminate our ability to impact this rating until the moratorium is lifted. By July 31, 2020 all Wisconsin nursing homes will have a targeted Covid-19 infection control survey. Mount View Care Center has had this survey and is in compliance. Mount View remains in its annual certification window with no updated timeframe for when they will resume normal survey activities.

- **Nursing Home Star Rating – Pine Crest**
  Pine Crest is rated as a 3 Star facility as well. Due to a recent change in CMS regulations that a facility with an abuse tag at a G level or higher would be kept at a 2 Star for a year from the survey; therefore, we do not anticipate Pine Crest's Star rating to change in 2020. The Annual survey has been completed and the plan of correction was accepted. We completed the Covid-19 infection and are in compliance.

- **Zero Harm – Patient**
  The Zero Harm rates are a monitoring measure for the organization. The Patient Adverse Event Rate is calculated by the number of actual harm events that reached patients/number of patient days x1000. For the month of May, our rate was at 1.07 which is an increase from the previous month leading to a year to date rate of 0.74, which is comparable but slightly higher than the 2019 results. Safety Huddles are continuing with an increased focus on follow-up and anticipation of any potential safety concerns that could occur in the next 24 hours. This has led to an increase in awareness and transparency likely leading to an increase in reporting and more inter-department collaboration with a focus on systems issues.

- **Zero Harm – Employees**
  Over the past two months we've trended closer to where we ended 2019. For the month of May we were below last year's numbers and continue to trend in a positive direction. We continue to monitor external conditions while making progress internally with programs and initiatives geared towards fostering a culture of safety.

- **Out of County Placements**
  We had 318 days in May, largely due to once-again-increasing "No Roommate" statuses being placed on NCHC hospital patients, resulting in more diversions. Additionally, we continued to have to work through "COVID test results pending" issues rooming of patients.

- **Hospital Length of Stay – NCHC**
  Overall, the Hospital Length of Stay at NCHC is reasonable at 5.78 days on average in May and 6.03 YTD. With census being down and individuals avoiding accessing hospital services due to Covid-19 concerns, we are experiencing more acute admissions with slightly longer length of stays. Overall, we are only slightly over our experience in 2019.

- **Hospital Length of Stay – Diversions**
  There are two longer term stays for individuals with challenging psychiatric needs who are at a higher level of dangerousness to themselves outside of institutional care. Overall the length of stay is still being impacted by these two instances, the other cases are more typical lengths of stay which has brought the average length of stay lower in May.

Community

- **No Show Rate (OP/Psychiatry)**
  The target is 8-10%, with May being 17.8% and YTD being 18.6%. Starting in April we are able to separate the no show data for therapy and psychiatry which provides more specific data. The data shows that therapy has a higher no show rate than psychiatry. A cancellation procedure is being developed to allow for alternate service options for clients who repetitively no show along with an open access clinic set to open later this summer.

- **Hospitalization Rate**
  Hospitalization Rate is a new monitoring measure. It appears the rate has been fairly stable in our Outpatient and Community Treatment programs. The data suggest that out of every 100 patients with a mental illness diagnosis there was approximately one individual that was hospitalized in the last month. May's monitoring outcome increased slightly over April but April was the best month year to date.

Finance

- **Direct Expense/Gross Patient Revenue**
  This measure looks at percentage of total direct expense to gross patient revenue. The 2020 target is 60-62%. This measure for May is 72.3%. This outcome is not within target range. Contracted provider and staff expenses continue to be high in May as well as gross revenue being well under budget. The diversions expense for May is favorable compared to prior months.

- **Indirect Expense/Direct Expense**
  Indirect Expense/Direct Expense is the percentage of total indirect expenses compared to direct expenses and the 2020 target is 39-41%. The outcome for May is 42.1%, which is unfavorable to the target. This has been trending favorably prior to May. Gross revenue reductions are the driver for this measure being unfavorable for May. Support areas continue to stay below the budget targets.

- **Average Cost Per Day**
  The measure is the total expenses less net patient billed revenue divided by the total days in the period. This helps to evaluate the cost per day that remains after all billed revenue is applied, as the remaining balance is covered by grants and levy. Volumes not hitting targets also negatively impact this outcome when expense reductions don't follow to the same degree. The target is $67,000-$70,000 per day. For May, the average cost per day outcome is $79,437. This is lower than April due to improvement in diversions, but remains unfavorable as billed revenue has not kept pace with expenses for May.

- **Net Income**
  Net Income is the net earnings after all expenses have been deducted from revenue. The target for 2020 is 2-3% and year to date we are at 1.1%. For May the measure is 8.4%. This is due to receipt of CARES Act stimulus dollars.

Program-Specific Dashboard Outcomes - *items not addressed in analysis above*

The following outcomes reported are measures that were not met at the program-specific level. They do not represent all data elements monitored by a given department/program, only the targets that were not met for the month.

Human Service Operations

- **Clubhouse:**
  - Retention Rate - Clubhouse continues to operate with 3 staff sufficiently at this time after a staff member resigned earlier this year related to Covid-19 concerns. Covid-19 has decreased clubhouse member participation thus not justifying the need for a new hire at this time. Clubhouse continues to have 1 vacant position for this year and plans are keeping it available and possibly hire a future staff to help offset revenue losses.

  - Net Income: Clubhouse revenues continues to be below target. Participation is lower due to Covid-19 and the majority of members participating are non-CCS clients and not billable under CCS regulations. Average recent attendance is 8-12 members a day. Pre-Covid was around 25+ a day. Clubhouse remained open during the entire pandemic at regular hours. Clubhouse collaborates regularly with Community Treatment for CCS referrals to the program to increase membership and billing.

- **Crisis & CBRF**
  - Retention Rate: In May, an individual hired on to the Crisis team determined that the position wasn't a good fit for her due to the high level of variability in how busy the center is at different times and how "chaotic" it can feel to individuals who do better in a structured environment. Individuals who thrive in the Crisis Center tend to thrive off of the challenge of never knowing what types of patients will present that day and the opportunity to problem solve each case; others find these same challenges to be difficult. We will work to be really clear and open during the interview process to describe the nature of the work environment to potential Crisis Professionals.

  - Patient Experience: We continue to see the same issue that those without insurance become upset when they are billed for receiving crisis services. We held a meeting with Management staff to problem solve this issue. We are working to roll out a plan that involves signage in the Crisis Center that indicates that services could be billed for non-insured individuals, and that we work to figure out a way of verbally letting patients know when possible and how to best do so (often individuals are too intoxicated or psychotic to understand; also, a significant portion of the individuals we serve are actively suicidal and we are worried about how to best indicate billing when it could result in them leaving without services, and essentially, attempting to harm themselves). This committee will continue to work out these details to try and decrease complaints and grievances related to billing.

- **Hospital**
  - Vacancy Rate: Ongoing shortage of nursing staff shortage willing to work shift work requiring nights/weekends, and work in psychiatric care. We continue to work on educating candidates on the nature of the job, and supporting them throughout their training period. Connecting with the Charge Nurses over the next couple of weeks to help understand workflow issues, process issues, etc. to work toward improving their job satisfaction, helping them to feel heard, and working to improve morale and retention.

- Retention Rate: *Driving factor*— In seeking to understand opportunities for improvement from the inpatient team's perspective, we have identified some workflow issues and morale issues that are present. Currently we are holding bi-weekly meetings with the social workers to identify and problem solve process and satisfaction issues.

- Out of County Placements: We had 318 days in May, largely due to higher than normal "No Roommate" statuses being placed on NCHC hospital patients by the attending Physicians, resulting in more diversions. Additionally, we continued to have to work through "COVID test results pending" issues rooming of patients. Both of these issues were problem solved to identify potential solutions. A plan for the COVID testing/rooming patient issues was developed and communicated to on-call managers and unit staff. Also, unit physicians were brought in on the discussion and we are revisiting what is written in policy, which is to re-visit the need daily.

- Net Income: We continue to see fluctuations to low census on a regular basis during this time, which was not an issue pre-COVID. We are working to adjust staffing when appropriate. Our new UR Review Case Manager is educating the unit social workers on what insurance companies are looking for in social work notes and discharge planning, and we have seen a significant improvement the past month in days being paid for patient stays, as well as some appeals successfully overturning denials.

❖ **Medically Monitored Treatment (MMT)**

- The Medically Monitored Treatment program has been temporarily suspended due to Covid-19. The data being reported is prior to or as lag due the temporary suspension.

❖ **Outpatient**

- Retention Rate: The 71.7% outcome is a calculated rate that is forecasting based on what the final year to date would be if the vacancies are not filled. We have an accepted offer for a therapist position with the new employee starting orientation in July. An interview is scheduled for an open therapist position in Antigo. The YTD outcome is improving.

- No Show Rate: The target is 8-10%, with May being 21.4% and YTD being 20.3%. Starting in April we are able to separate the no show data for therapy and psychiatry which provides more specific data. The data shows that therapy has a higher no show rate than psychiatry. A cancellation procedure is being developed to allow for alternate service options for clients who repetitively no show. The target for implementation is July.

- Net Income: The target is $5,774-$8,661, with May being $31,216. YTD remains below target. The management of expenses has improved. The impact of no shows continues to have a negative impact on revenue.

❖ **Psychiatry**

- No Show Rate: The target is 8-10%, with May being 13.5% and YTD being 16.5%. Starting in April were are able to separate the no show data for therapy and psychiatry which provides more specific data. Utilizing telehealth for service delivery appears to be a positive factor on the no show rate for psychiatry. The no show rate has been trending downward for two months.

- Net Income: The target is $10,386-$15, 578, with May being ($41,995). Expenses are being managed with a positive variance, but revenue is below target. The ratio of revenue to expenses improved from April to May. We will continue to monitor this trend.

❖ **Day Services**

- Net Income – Day Services continued to be impacted by COVID-19 with guidelines and recommendations for smaller gatherings and social distancing. We've begun opening our operations slowly starting at the end of May and will continue throughout the month of June. We will continue to utilize staff for screening purposes at our entrances to maintain a safe environment for those visiting, living and working on our campuses. June projections are positive with operations opening at a safe pace.

❖ **Residential Group Home**

- Vacancy rates overall increased from 10.0% in April to 11.7% in May. The reason for the setback was a number of the recruitments were delayed into June because of day care or other external reasons. Projections show the vacancy rate improving for June and likely into July with continued success of recruitment for open positions.

❖ **Residential Services**

- Residential Services vacancy rate remained relatively stable at 12.3% for May. Residential Services utilizes the same applicant pool of Residential Group Homes which has increased month over month. Retention rate has remained 100% year to date allowing for positive movement in vacancy rates month over month.

- Net income remains off target for the year but has improved over April & May with a $7,701 variance year to date. June projections are positive for Residential Services as we continue to fill census vacancies.

<u>Nursing Home Operations</u>

❖ **Aquatic Services:**

- The Net Income target for Aquatic is $2,275 - $3,413 per month. For May the outcome was out of target with Net Income at -$27,222. The YTD variance is negative at -$5,066 below target. This is due to the COVID-19 shutdown. We have worked to redeploy staff accordingly as we do not expect any billed revenue for April or May. We are currently in process of slowly reopening aquatics program which started June 1, 2020. In June we anticipate an increase in revenue with our soft opening by providing services for therapy and maintenance therapy at this time. We are limiting access to no more than 10 people in the pool area at a time under Covid-19 guidelines.

❖ **MVCC Overall:**

- Vacancy Rate: The month of May showed within target for the first time this year at 7.1 % with a target range of 7-9%. Year to date we reduced our rate to 13.5% which is not within target. With our recent start of our internal nursing assistant training course, we anticipate seeing a reduction in our vacancy rate in the next few months. Currently we have finished two classes and have 3 additional classes planned in June, July and August for external and internal hires at both of our locations. Our next classes have full roster of employees at 8 people starting on June 15, 2020. Focus remains on determining changes with student's full time equivalent statuses when returning to school and ongoing recruitment to fill those openings in September.

- Retention Rate: In May we had 4 resignations. May's retention rate is at 91.5% and YTD we are at 79.6%. The Mount View team continues to hold recruitment and retention meetings, conduct in-house polling of staff for ideas to enhance retention, and look for ways for work life balance for these positions.

- Nursing Home Star Rating: Nursing Home Star Rating for Mount View remains a 3 Star. At this time with the Covid-19 pandemic, there is a suspension of all health care surveys. Mount View was due for its annual survey and with this suspension, the opportunity to improve health surveys star rating is on hold at this time.

- Average Net Income: The goal is $38,717 to $58,075 per month. For May we showed a gain of $528,007 which was driven by the additional Cares Act payment. We continue to see a decline in our overall census with the reduction of referrals and admissions related to the Covid-19 pandemic as families are choosing to take residents home due to the visitation restrictions. The team continues to reduce their staffing and their expenses to be in line with our current census versus the budgeted census.

❖ **Pine Crest Overall:**

- Readmission Rate: Target for 2020 is 10-12%. Pine Crest was at 0% in May which was in target. In May there were no readmissions that met the 30 day timeframe. YTD we are still off track at 13.8%. The team continues to work with staff on the quality assurance process improvement project to reduce re-hospitalizations and have shown some improvement from January 2020 to current.

- Nursing Home Star Rating: Pine Crest remains a 3 Star due to survey issue that places their health inspections at a 2 for the next year. At this time we anticipate this to remain at 3 Star for 2020.

- Average Net Income: Target is $24,836-$37,253 and for May was above target at $297,166 due to the Cares Act payment and still remains off target at -$9,519 year to date $9,519. Pine Crest has struggled with declining census and not meeting their budgeted census numbers. Besides this variance, the better than budgeted Medicaid rate helped offset the lower census and kept our losses lower than anticipated. Focus continues to be on reduction of agency and continued implementation of price savings through NCHC purchasing groups. The team is also reviewing and adjusting staffing patterns based on the changes in our occupancy.

<u>Support Programs</u>

❖ **Human Resources**

- Retention Rate: Human Resources had one employee turnover our Human Resources Coordinator, as a result the retention rate was not achieved. Recruitment for this position has been put on hold as we focus all recruitment efforts towards direct care positions in our organization.

❖ **Patient Access Services**

- Retention Rate: This is related to a voluntary termination. This position is currently on hold and being evaluated as a potential opportunity for consolidation with other existing roles.

❖ **Nutrition Services**

- Vacancy Rate: Year to date vacancy rate is off target by less than 1% which is in large part due to the first two months of the year. For the month of May Nutrition Services hit the target vacancy rate at 7.9% which if trends continue we will back in line by June.

- Retention Rate: Nutrition Services retention rate is 11% off target year to date with the majority of turnover occurring in January and February. March through May has seen a reduction in turnover resulting in the year to date retention rate working closer towards the target. This will continue to be off target for June due to the high percentages of turnover at the beginning of the year.

Policy Title: Contract Review and Approval	North Central Health Care Person centered. Outcome focused.
Policy #: 105-0007	**Program:** Administration 105
Date Issued: 02/28/2019	**Policy Contact:** Chief Executive Officer

Related Forms
Contract Review Request Form

1. **Purpose**
   The purpose of this Contract Review and Approval ("Policy") provides an organized and coordinated process to ensure that any binding commitments obligating NCHC are properly reviewed, prepared, approved, and executed by authorized personnel. This Policy is binding upon all NCHC employees. Please consult with the NCHC Contract Specialist if you have any questions about this Policy or the procedures to follow for the review, preparation, approval, and execution of NCHC Contracts.

   This Policy establishes guidelines, procedures, and requirements for:

   - An initiating Director or Executive (the "Requester") to request Contract assistance from NCHC's Contract Specialist or legal counsel.

   - The review, preparation, approval, and execution of a Contract to which NCHC is a party

2. **Definitions**

   Compliance Officer: The high ranking member of management that is named by the Board of NCHC to serve as Compliance Officer of NCHC.

   Contracts: "Contract(s)" include any and all agreements or understandings between NCHC and any other party, including without limitation, business associate agreements, employment agreements, health care provider agreements, consolidated billing services agreements, insurance provider agreements, maintenance agreements, medical records agreements, purchase agreements, software agreements, transportation agreements, rental agreements, equipment agreements, service agreements, facility use agreements, consulting agreements, licenses, leases, promissory notes, instruments, assignments, powers of attorney, terms and conditions, memoranda of understanding, letters of intent, settlements, releases, waivers, grant applications, other similar documents, and any renewal, amendment, or modification to existing Contracts of the foregoing types.

If an employee is not certain whether a communication with another party will form or modify a Contract, the Requester should contact the Contract Specialist for guidance. All Contracts are required to be in writing. Oral agreements are not authorized regardless of whether there is a monetary exchange.

Contract Specialist: The individual designated by NCHC to manage the administrative activities associated with NCHC Contracts and the contracting process.

Health Care Provider: "Health care provider" or "provider" is a state licensed or certified person or state-authorized facility, which delivers diagnostic, treatment, inpatient or ambulatory health care services or any other party that receives payment or reimbursement for the provision of health care services.

Managed Care Contract: Contracts with health plans, managed care organizations, governmental reimbursement programs and other organizations that involve reimbursement or other compensation for services performed by NCHC. Managed Care Contracts include, without limitation, Contracts involving:

- Participation in Accountable Care Organizations, preferred provider organizations, network provider organizations, clinically integrated provider organizations, and other organizations that contract with payers of health care services;

- Any state, federal, or other governmental health care program;

- Employee welfare benefit programs whether qualified or not under the Employee Retirement Income Security Act;

- Exclusive provider organizations, preferred provider organizations, defined benefit plans, health maintenance organizations, physician/hospital organizations, and indemnity insurance;

- Administration of any Managed Care Contract, third party administration;

- Utilizations review, quality standards, quality assurance, quality management, incentive compensation, compliance with protocols or standards for providing care, integrated care requirements, and preauthorization or preapproval of services; and

- Reimbursement or compensation regardless of the structure including fee-for-service, discounted fee-for-service, bundled payment, capitation, episode of care, and pay for performance.

NCHC Contract Templates: Standard contract clauses that are created and approved by legal counsel to provide guidance with respect to areas of contracting. Each NCHC Contract Template shall include a cover sheet indicating the scope of acceptable use and other issues determined by legal counsel and/or the Compliance Officer regarding the use of the applicable NCHC Contract Template. Use of a NCHC Contract Template does not obviate the need to have the applicable Contract properly reviewed, approved, or executed pursuant to this Policy. NCHC Contract Templates are only intended to potentially streamline the review and approval process by developing uniform terms. Each potential contractual arrangement will have its own unique terms and regulatory impact. Reliance on NCHC Contract Templates alone is not sufficient to assure compliance or approval.

Privacy Officer: The individual designated by NCHC to serve as the privacy official responsible for developing and implementing its privacy policies and procedures, serving as a contact person responsible for receiving complaints and providing individuals with information on the covered entity's privacy practices as required under 45 C.F.R. § 164.530(a).

Referral Source Arrangement: An arrangement with a physician or other person or entity that is in a position to make, influence, or recommend a referral, purchasing, leasing, ordering or arranging for any goods, facility, item or service paid for, in whole or in part, by a federal or state healthcare program. The definition should be interpreted broadly for purposes of the NCHC compliance program. A Referral Source Arrangement is any type of Contract or other arrangement with anyone (including an immediate family member of such person) who could potentially influence the flow of Medicare/Medicaid or other government healthcare programs business to another party including anyone who has referred a patient to NCHC in the past or who is reasonably anticipated to refer a patient to NCHC in the future. This definition includes instances when NCHC or a NCHC provider is the party in a position to refer or influence the referral of federal healthcare program business to a vendor. A Referral Source Arrangement can exist even if the subject matter of the Contract does not involve potential referrals or is otherwise unrelated to healthcare. Any arrangement with a party that is in a position to make or influence referrals is to be considered a Referral Source Arrangement.

3. Policy

It is the policy of North Central Health Care ("NCHC") to develop and implement a Contract Review and Approval Policy that applies to all Contracts made on behalf or in the name of NCHC; to commit to writing all Contracts; to assure that a review process is completed that is appropriate to the nature of the Contract; and to assure that all Contracts are properly reviewed and executed by individuals who have proper authority. This Policy applies to all Contracts to which NCHC is a party, regardless of whether they have been drafted by NCHC or a third party.

4. General Procedure

Except as otherwise provided herein, only the Chief Executive Officer, Acting Chief Executive Officer, or other expressly designated Executive of NCHC is authorized to execute Contracts on behalf of NCHC. Where the risks of failing to achieve the purposes of this Policy are low, and the matters are routine, the Authorized Signatory may delegate approval authority for classes of Contracts to the CFO or Compliance Officer who have supervision of the subject of the Contracts. Any such delegation shall be in writing and shall be executed by the Authorized Signatory. The Authorized Signatory may revoke such authority at will.

5. References

5.1. CMS: None

5.2. Joint Commission: None

5.3. Other: None

Related Policies, Procedures and Documents

Policy Title: Contracting with Excluded Individuals and Entities	North Central Health Care Person centered. Outcome focused.
Policy #: 105-0021	**Program:** Administration 105
Date Issued: 04/2019	**Policy Contact:** Chief Executive Officer

Related Forms
None

1. **Purpose**
Under the direction of the NCCSP Board of Directors, the Compliance Officer shall be given the authority to ensure compliance with this policy. All individuals who have authority to enter into contracts on behalf of the organization shall assure that this policy is followed and appropriate termination clauses are included in all such contracts.

This policy applies to all North Central Health Care (NCHC) employees, all individuals/entities entering into a contract with NCHC, and all of their respective employees and contractors.

2. **Definitions**
None

3. **Policy**
In accordance with Federal law, NCHC will not employ, enter into a contract with, or extend clinical privileges to, or continue the employment or contract with, or clinical privileges of, any party that is included on the Office of Inspector General ("OIG") and/or the System for Award Management ("SAM") listings of excluded parties, or who has been convicted of a crime related to health care.

4. **General Procedure:**

4.1. Human Resources shall screen for and notify the Compliance Officer of any current or contracted employee that Human Resources determines to be included on a list of excluded parties or to have been excluded under any government program.

4.2. The Corporate Compliance Officer shall conduct an annual review of the screening process. Such review shall include an evaluation of Human Resources' performance of the screening process and any action taken in response to discovering that any individual or company doing business with NCHC is not an individual who appears on any government exclusion list.

5. References

5.1. CMS: None

5.2. Joint Commission: None

5.3. Other:

OIG – http://exclusions.oig.hhs.gov/
SAM – http://www.sam.gov

Related Policies, Procedures and Documents

Policy Title: Business Associate Contract Management	North Central Health Care Person centered. Outcome focused.
Policy #: 105-0008	**Program:** Administration 105
Date Issued: 06/27/2019	**Policy Contact:** Chief Executive Officer

Related Forms
None

1. Purpose

To establish a process by which North Central Health Care (NCHC) manages the contracting process with third parties to assure that all parties who are potential Business Associates as defined in the Health Insurance Portability and Accountability Act (HIPAA) are required to enter into Business Associate Agreements. The purpose and intent are to protect the confidentiality of patients, staff, and information of NCHC that is considered Protected Health Information.

2. Definitions

Business Associate: Business Associates are contractors, or other non-NCHC employees, hired to do the work of, or for, our organization that involves the use or disclosure of protected health information (PHI). The complete regulatory definition of Business Associate is contained in 45 CFR 160.102 and should be consulted if there is any question regarding whether a party is a Business Associate. These activities may include: legal, actuarial, accounting, consulting, data aggregation, management, administrative accreditation, billing and financial services.

Business Associate Agreement: A contract between entities that specifies mutual responsibility for protecting the privacy and security of Protected Health Information.

Covered Entity: Under HIPAA, this is a health plan, a health care clearinghouse, or a health care provider who transmits any health information in electronic form in connection with a HIPAA transaction. These entities are bound by the HIPAA privacy standards even if they contract with others to perform some of their essential functions. NCHC is a Covered Entity as defined in HIPAA.

Minimum Necessary: This HIPAA provision requires NCHC and our Business Associates to make reasonable efforts to limit the use and disclosure of and request for protected health information to the minimum necessary to accomplish the intended purpose.

Protected Health Information: Individually identifiable health information that is transmitted or maintained in any form relating to the past, present, or future physical or mental health condition of an individual, or provision of health care to an individual, or payment for the provision of health care to an individual.

3. Policy

It shall be the policy of North Central Health Care to employ a systematic process for the establishment and management of Business Associate Agreements (BAA) with third parties to ensure the protection of Protected Health Information (PHI). HIPAA requires a BAA to be in place with certain third parties defined as Business Associates under HIPAA. A BAA must be in place before any PHI can be provided from NCHC to a Business Associate.

4. General Procedure:

4.1. All NCHC individuals, programs, or relationships which are involved in establishing contractual relationships with entities or persons that serving or supporting NCHC must evaluate whether the entity or person entering a contractual relationship with NCHC or otherwise potentially qualifying as a Business Associate of NCHC is required to establish a BAA with NCHC. All PHI use permitted in the BAA must be limited to the Minimum Necessary.

4.2. All prospective contractual arrangements, must be initiated through the NCHC Contract Specialist and are subject to the NCHC Contract Review and Approval Policy. The NCHC Contract Specialist will assess the vendor/business relationship to determine whether a BAA must be entered as part of the contract.

4.3. A BAA is required regardless of whether there is a written contract or not with the vendor/business.

4.4. If NCHC becomes aware that a breach or violation of privacy by a Business Associate, NCHC will take reasonable steps to cure the problem and potentially terminate the contract. The BAA shall obligate all Business Associates to notify NCHC if a privacy violation or breach has occurred, and assist in remediation.

5. References

5.1. CMS: None

5.2. Joint Commission: None

5.3. Other: None

Related Policies, Procedures and Documents
Business Associate Contract Procedure
Contract Review and Approval Policy

Objective	Accountability	Start Date	Measure(s) of Success	Interim Updates	Status	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Annual Review of Board Policy	Board	Jan-20	Board reviews and approves all Board Policies by December 31	Ongoing, Policies have been dispersed equally and timely throughout the year	Open												
Establish Facility Use Agreements with Each County	Board	Jan-20	Signed Facility Use and/or Lease Agreements with each of the three Counties	The base Lease Agreement is close to being finalized. Supporting Exhibits to the Agreement are still in development	Open												
Prepare Local Plan	Board	Aug-20	Adopt a 3 Year Local Plan at the Annual Board Retreat	The Human Services Research Institute continues to work on stakeholder interviews and data analysis. The report completion and presentation to the Board is on hold until travel from Boston is permitted	Pending												
Approve Training Plan for Counties	Board	Jan-20	Hold Inaugural Stakeholder Summit	The Inaugural Stakeholder Summit is postponed until such time that a large group gathering would be permissible given the COVID-19 public health emergency	Pending												
CEO Appraisal	Executive Committee	Jan-20	Completed CEO Appraisal by the Executive Committee by March	The written evaluation has been completed but the in-person review of the evaluation has not been completed	Pending												
Accept the Annual Audit	Board	Jan-20	Acceptance of the annual audit by the NCCSP Board in April	Accepted at May NCCSP Board meeting	Complete												
Annual Report	Board	Apr-20	Annual Report Released and Presentations made to County Boards	The 2019 Report is still being developed as communication resources have been reprioritized to the COVID-19 response	Open												
County Fund Balance Reconciliation	Board	Apr-20	Fund Balance Presentation and Adoption by NCCSP Board	Fund Balance Policy has been reviewed and Fund Balance Statements have been sent to the counties	Complete												
Reserve Policy Review	Board	Apr-20	The Board will review and approve the Reserve Policy after the CFO has met with the County Finance Directors to receive input following the annual audit	Approved	Complete												
Recommend Annual Budget to Counties	Board	Apr-20	Budget recommendation to the Counties by October 1st	The Budget process for 2021 has begun in April	Open												
Determine Budget Guidelines and Priorities	Executive Committee	Apr-20	Budget Guidelines and Priorities of the member Counties are communicated to the Board by June 1st	Budget Guidelines and Priorities were provided at the May Board meeting	Complete												
Nomination and Election of Board Officers	Governance Committee	Apr-20	The Governance Committee will send a slate of Officers to the Board to be elected at the Annual Meeting in May	The slate of Officers was voted on and seat at the May Board Meeting	Complete												
Annual Review of Board End Statements	Board	May-20	Adoption of End Statements with any modifications by June 1st	Reviewed at May Board Meeting	Complete												
Selection of Independent Certified Public Accounting Firm	Executive Committee	Jun-20	5 year contract established with an accounting firm	Reviewing a draft RFP and timeline for this process	Pending												
Develop a Board Recruitment Plan	Governance Committee	Jun-20	Board Recruitment Plan reviewed and approved by the NCCSP Board	Governance Committee was appointed at the May Board meeting and will have their first meeting scheduled in July	Open												
Review and Approve Performance Standards	Executive Committee	Jul-20	Adopted Annual Performance Standards	The Executive Committee will review curent performance expectations and standards at their June and July meeting with a recommendation going to the NCCSP Board at their July meeting	Open												
Facilitated Discussion on Diversity and Inclusion	Board	Jul-20	Adopted strategy and/or policy as it relates to the implications of diversity and inclusion for the Board, Management Teams and workforce	On the agenda for initial discussion at the June NCCSP Board meeting	Open												
Evaluate NCCSP Board Effectiveness	Board	Sep-20	Conduct and Annual Review of the Effectiveness of Board's Policy Governance Model	Performed annually at the September NCCSP Board meeting	Pending												

Objective	Accountability	Start Date	Measure(s) of Success	Interim Updates	Status	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Approve Annual Quality, Compliance and Safety Plan	Board	Sep-20	Approve plan in December	Board will review current plan performance and approve the plan for the upcoming year in December	Pending												
Review and Approve Policy Governance Manual	Board	Aug-20	Approve manual at the September Board meeting	Review of the current manual will occur in August with the Governance Committee	Pending												
Annual CEO Succession Exercise	Board	Oct-20	Approve a one-page succession document	The CEO and Board Chair are developing an approach to facilitate the discussion with the full Board in October	Open												
Review and Approve CEO Compensation Plan	Executive Committee	Nov-20	Approve CEO Compensation Plan for the upcoming year by December	The Executive Committee will review the plan in December	Pending												
Approve Utilization Review Plan	Board	Nov-20	Approve plan in December	Board will review current plan performance and approve the Utilization Review Plan for the upcoming year in December	Pending												
Board Development Plan and Calendar	Governance Committee	Nov-20	Approved Board Development Plan and Calendar for the upcoming year at the December meeting	Following the Board Self-Evaluation in September, a development plan and calendar for 2021 will be developed for the December Board meeting	Pending												
Provide Monthly Program and Service Report	Executive Committee	Monthly	CEO provides a monthly Programs and Services report to the Executive Committee	Developing new format for the monthly reporting to be in congruence with the recently adopted Joint County Agreement	Open												

Pine Crest

Hospice Unit Closure Proposal

Agenda

1. Hospice Background
2. Current Challenges
3. Hospice Unit Proposal
4. Anticipated Results
5. Communication Plan
6. Questions

Hospice Background

- **Dedicated Hospice Unit Opened in Spring 2019**

  Hospice services have been provided throughout Pine Crest prior to this.

- **Hospice Providers & Hospitals Aware of Unit**

  Ongoing communication has occurred without increased referrals to unit.

- **Annual Fixed Labor Costs exceed $675,000.00**

  Does not account for additional employer tax for employees.

  Does not account for productivity cost of maintaining supplies of unit.

- **Revenue Must Exceed Annual Fixed Costs**

  This needs to take into consideration ancillary cost that are needed to have the unit operational.

Challenges

- Unit's Average Monthly Occupancy is **63 Percent** (May 2019-May 2020)

  Profitability is to be achieved at full-occupancy.

- Primary Payer is Medicaid (**81 percent**)

  Private pay has been 17 percent and insurance amounting to 2 percent.

- Above Payer Mix Results in Approximate Revenue of $550,245.00

  Note the fixed cost of **$675,000.00** on the previous slide.

- Losses Conservatively Exceed **$145,000.00** for the Period

Proposal

- **Relocate** Residents **Off** Hospice Unit

  Residents on hospice programs **already** reside in other areas of the building.

- **Close** Hospice Unit to Address Staffing Challenges & Prevent Ongoing Monetary Losses

  Current nurse staffing need exceeds **30 positions**!

  Current agency staff expense exceeds **$400,000.00**!

Projected Results

- **Decreased** Full-Time-Equivalent **Staffing Need**
  - **RN/LPN** coverage reduced by **2.8 FTE**.
  - **C.N.A.** coverage reduced by **3.2 FTE**.
  - **Med Tech** coverage reduced by **0.7 FTE**.
  - **Housekeeping** coverage reduced by **0.5 FTE**.
- Annual Labor Cost **Reduced by Over $675,000.00**
  - **Staff currently working on unit** would be **relocated** within the building.
  - **Reduced FTE's** would **offset agency covered shifts**, which is reflected in this estimate. No employees would lose their job.
  - **No loss in hospice referrals** based on alternative bed availability.
- **No Adverse Impact** to Operational Income
  - **Decrease in fixed cost** based on current staffing pool.
- **Improved** Staff **Efficiency**
  - One less unit to stock supplies.
  - **Less foot traffic** staff need to take in delivering and providing services.

Proposal Timeline

June 23rd, 2020

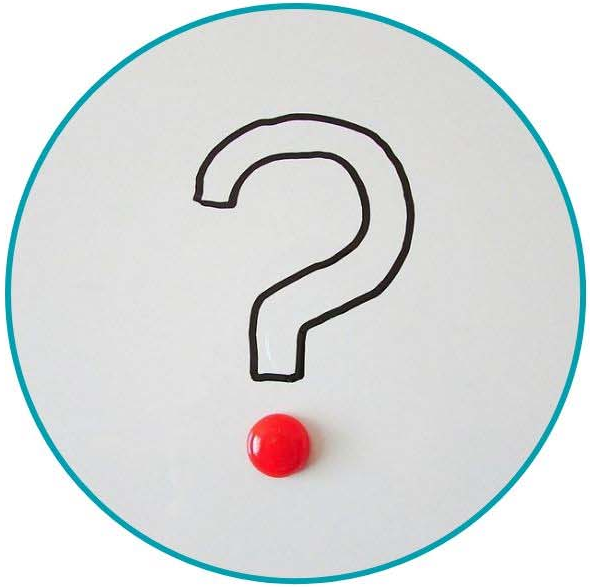
June 24th, 2020
Communicate to staff, residents, and family the closure of hospice unit. Intended closure date of August 1st.

June 24th, 2020
Identify appropriate rooms for hospice unit residents to be relocated to.

July 2020
Coordinate room moves of hospice unit residents.

August 3rd, 2020

Questions



North Central Health Care
Person centered. Outcome focused.

MEMORANDUM

DATE: June 18, 2020
TO: North Central Community Services Program Board
FROM: Dr. Robert Gouthro, Chief Medical Officer
RE: CMO Report

The following items are general updates and communications to support the Board on key activities and/or updates since our last meeting:

1) **Residency & Education**:
   - The MCW-CW residency will begin orientation for its new residents during the last week of June. As in prior years, NCHC will be the primary location and partner involved in orientating the new doctors to our community and the local mental health landscape.

   - The outpatient resident experience has been re-envisioned, including video observation technology, better balanced schedules, and increased patient contact opportunities. These changes will increase supervision quality, patient access, and overall patient care quality.

   - As previously shared, NCHC has hired two residents from the MCW-Green Bay Psychiatry Program. We have been able to arrange for both residents to complete the last 4 months of their training with NCHC, thereby allowing them to prepare for their future practices on site. This will decrease/eliminate the need for training prior to their beginning work as attending physicians in July of 2021.

   - MCW-CW medical students have begun rotating with NCHC for the 2020-21 academic year, and NCHC is now the largest psychiatric rotation site of the local medical college. UW Madison will also have medical student rotators in our facility, further expanding our educational footprint and increasing in state residency recruitment outreach.

2) **No-Show Rate**:
   - The no show rate continues to be monitored on a daily basis.

   - Medication management no-show rates continue to benefit from the ability to provide services via telephone. From June 1st-June 18th the prescriber no-show rate was ~15%. Therapy provider no show rate, was ~23%. Total no-show rate in early May was 19% which is suggesting benefits from transitioning to telephone/video connection may have reached full benefit, and alternative avenues, such as the previously mentioned open access clinic and no-show policies will be needed to reach and maintain our dashboard goal.

   - Our updated No-Show Policy is still on target for enactment in July regardless of the COVID-19 crisis status.

- The Outpatient Open Access Clinic will officially open July 20th. This clinic will serve current NCHC clients in assisting with non-crisis, acute issues; provider support; patient access; and maintenance of care with clients that have challenges attending scheduled appointments.

- Walk-in psycho-educational and group therapy interventions are being developed to assist clients that struggle to attend scheduled appointments by preventing a loss to follow-up and delay in contact when needed in non-crisis situations. A psychoeducational group will begin at the end of July with treatment focused groups rolling out over the next few months. Both group offerings will also be made available to patients enrolled with NCHC Therapists as part of a step down option, individual alternative, or as an adjunctive intervention.

3) **Patient Care and Provider Quality**:
   - Our provider peer-review documentation pilot has completed. Lessons learned from its implementation are being incorporated into a larger roll out to all NCHC OP Prescribers. Similarly, Our Peer Review Committee is being formed and will meet to discuss additional avenues of support for our providers.

   - An analogous Peer Review Process is now in early development to accomplish the same peer based quality review for our therapy providers.

   - Our Ethics Committee continues to solidify its goal and structure and the will meet regularly to provide consultative, ethical support to our organization.

   - All Inpatient and CBRF clients continue to be screened upon admission for COVID-19. To date, all results have been negative.

   - The IP and NH COVID-19 units are prepared for patient care when the need arises.

   - Crisis Prevention Institute (CPI) training will replace our replace previously utilized Management of Aggressive Behavior (MOAB) training. CPI is the training system most used by hospitals located within WI, and will provide improved patient and staff safety during behavioral emergency responses. The creation of the NCHC Security Committee (which had its first meeting in June) will further assist in increasing patient and employee safety and on site behavioral crisis response.

   - Two PGY4 Residents will be located at NCHC in July specifically to research Quality Improvement and enhanced treatment opportunities. As an example, Residents will research technological interventions which will improve patient outcomes and reduce IP hospitalizations as well as potential grant opportunities to fund these interventions.

North Central Health Care
Person centered. Outcome focused.

MEMORANDUM

DATE: June 11, 2020
TO: North Central Community Services Program Board
FROM: Jill Meschke, Chief Financial Officer
RE: Monthly CFO Report

The following items are general updates and communication to support the Board on key activities and/or updates of financial activity since our last meeting.

1) **Financial Results:**
The financials show a gain for May of $557,335, compared to the targeted loss of ($160,637) resulting in a positive variance of $717,973. Positive results are directly related to receipt of federal CARES Act stimulus dollars in the amount of $1,101,646. Without this additional funding April would have shown a loss of ($544,310).

2) **Revenue Key Points:**
- Overall revenue for May was short of budgeted target by ($230,135). Without the CARES Act payments revenue would have been short to budget by ($1,190,765).
- MVCC census averaged 161 compared to the target of 183. Pine Crest census averaged 125 compared to the target of 155.
- In addition to the lower than budgeted census, both MVCC and Pine Crest payer mix is unfavorable to plan with a lower mix of Medicare residents than budgeted contributing to revenue shortfalls to plan of ($230,277) and ($191,514) respectively after adjusting for CARES Act payments.
- The hospital census averaged 10 to a budget of 15 for the month of May resulting in a shortfall from plan of ($180,048). Census challenges continue in June.
- Revenue for the outpatient areas combined is short from plan by ($720,491).

3) **Expense Key Points:**
- Overall expenses for May were favorable to plan $689,609 to the positive. Expense savings are driven by temporary program closures, strategic cost savings measures, and favorable health insurance expenses.
- Salaries are favorable to budget for May partially due to suspension of merit increases and utilization of contract staff and providers.
- Benefits are meeting targets. Health insurance was below target for the month. As the year progresses and employees utilize health care this cost will increase.
- Purchased services represent the greatest unfavorable variance to plan at ($264,681). This overage offsets the favorability in salaries expense.
- Diversions were favorable to plan $17,205.

4) **<u>COVID-19 Financial Considerations</u>:**
   - CARES Act receipts totaled $1,101,646 for May. Efforts continue to explore additional funding sources.
   - In May, purchasing and staffing expenses related to COVID-19 totaled $40,403, which is significantly lower than April's COVID-19 expenses.

North Central Health Care
Balance Sheet
For the Period Ending May 31, 2020

	Current YTD	Prior YTD
ASSETS		
Current Assets		
Cash and Cash Equivalents	5,891,518	1,905,421
Accounts Receivable		
Net Patient Receivable	5,778,712	5,064,615
Outpatient WIMCR & CCS	3,688,750	3,051,667
Nursing Home Supplemental Payment	(268,550)	875,000
County Appropriations Receivable	-	798,247
Net State Receivable	460,368	344,231
Other Accounts Receivable	743,798	361,005
Inventory	446,283	427,687
Prepaid Expenses	1,075,348	1,011,697
Total Current Assets	17,816,227	13,839,570
Noncurrent Assets		
Investments	12,065,000	13,642,000
Contingency Funds	1,000,000	1,000,000
Patient Trust Funds	86,584	39,333
Pool Project Receivable	1,732,590	3,213,262
Net Pension Assets	-	5,559,798
Nondepreciable Capital Assets	6,625,399	761,374
Net Depreciable Capital Assets	20,977,024	10,603,981
Total Noncurrent Assets	42,486,597	34,819,747
Deferred Outflows of Resources (Pensions)	22,152,585	10,270,680
TOTAL ASSETS	82,455,409	58,929,997

	Current YTD	Prior YTD
LIABILITIES		
Current Liabilities		
Current Portion of Capital Lease Liability	29,249	29,249
Trade Accounts Payable	622,705	323,955
Accrued Liabilites		
Salaries and Retirement	2,714,178	1,687,586
Compensated Absences	2,845,545	1,785,344
Health and Dental Insurance	670,000	847,000
Bonds	360,000	-
Interest Payable	140,801	-
Other Payables and Accruals	2,094,830	917,259
Payable to Reimbursement Programs	220,000	220,000
Unearned Revenue	(306,177)	(1,322,453)
Total Current Liabilities	9,391,132	4,487,940
Noncurrent Liabilities		
Net Pension Liability	9,445,451	944,541
Long-Term Portion of Capital Lease Liability	62,712	89,827
Long-Term Projects in Progress	4,580,552	343,429
Long-Term Debt and Bond Premiums	9,155,779	-
Patient Trust Funds	56,866	39,333
Total Noncurrent Liabilities	23,301,360	1,417,130
Deferred Inflows of Resources (Pensions)	11,508,078	10,993,103
TOTAL LIABILITIES	44,200,570	16,898,172
NET POSITION		
Net Investment in Capital Assets	27,583,144	11,365,354
Pool Project Restricted Capital Assets	1,732,590	3,213,262
Unrestricted		
Board Designated for Contingency	1,000,000	1,000,000
Board Designated for Capital Assets	1,712,558	659,884
Undesignated	5,811,643	27,049,923
Net Income / (Loss)	414,903	(1,256,600)
TOTAL NET POSITION	38,254,839	42,031,824
TOTAL LIABILITIES AND NET POSITION	82,455,409	58,929,997

North Central Health Care
Income Statement
For the Period Ending May 31, 2020

	MTD Actual	MTD Budget	$ Variance	% Variance	YTD Actual	YTD Budget	$ Variance	% Variance
Direct Revenues								
Patient Gross Revenues	6,475,146	8,552,118	(2,076,971)	-24.3%	36,461,720	41,871,521	(5,409,802)	-12.9%
Patient Contractual Adjustments	(2,286,890)	(3,166,934)	880,044	-27.8%	(12,511,556)	(15,313,747)	2,802,191	-18.3%
Net Patient Revenue	4,188,256	5,385,184	(1,196,928)	-22.2%	23,950,163	26,557,774	(2,607,611)	-9.8%
County Revenue	417,915	418,151	(236)	-0.1%	2,089,573	2,090,753	(1,180)	-0.1%
Contracted Service Revenue	40,749	71,167	(30,418)	-42.7%	267,824	355,833	(88,009)	-24.7%
Grant Revenues and Contractuals	1,239,002	183,767	1,055,235	574.2%	3,409,935	918,833	2,491,101	271.1%
Appropriations	457,755	457,755	-	0.0%	2,288,776	2,288,776	-	0.0%
Other Revenue	703,427	690,708	12,719	1.8%	3,548,080	3,453,542	94,539	2.7%
Total Net Revenue	7,047,104	7,206,731	(159,627)	-2.2%	35,554,351	35,665,511	(111,160)	-0.3%
Direct Expenses								
Personnel Expenses	3,090,407	3,957,244	866,837	21.9%	16,393,828	18,944,295	2,550,467	13.5%
Contracted Services Expenses	812,475	547,343	(265,132)	-48.4%	5,079,793	2,730,048	(2,349,745)	-86.1%
Supplies Expenses	58,783	84,765	25,982	30.7%	293,042	418,159	125,118	29.9%
Drugs Expenses	397,043	367,152	(29,891)	-8.1%	2,115,280	1,834,598	(280,682)	-15.3%
Program Expenses	70,217	117,812	47,595	40.4%	351,856	579,065	227,209	39.2%
Land & Facility Expenses	22,422	26,727	4,305	16.1%	99,212	133,633	34,421	25.8%
Equipment & Vehicle Expenses	34,999	41,916	6,917	16.5%	199,654	204,181	4,527	2.2%
Diversions Expenses	57,795	75,000	17,205	22.9%	947,905	375,000	(572,905)	-152.8%
Other Operating Expenses	135,644	151,435	15,792	10.4%	776,110	752,236	(23,874)	-3.2%
Total Direct Expenses	4,679,785	5,369,394	689,609	12.8%	26,256,681	25,971,216	(285,464)	-1.1%
Indirect Revenues								
County Revenue	171,635	171,635	-	0.0%	858,176	858,176	-	0.0%
Contracted Service Revenue	3,575	2,500	1,075	43.0%	17,392	12,500	4,892	39.1%
Other Revenue	62,304	56,250	6,054	10.8%	271,842	281,250	(9,408)	-3.3%
Total Net Revenue	159,877	230,385	(70,508)	-30.6%	1,147,510	1,151,926	(4,416)	-0.4%
Indirect Expenses								
Personnel Expenses	1,094,148	1,269,361	175,213	13.8%	5,562,754	6,185,975	623,221	10.1%
Contracted Services Expenses	4,549	5,000	451	9.0%	24,494	25,000	506	2.0%
Supplies Expenses	69,771	123,616	53,845	43.6%	347,649	618,081	270,432	43.8%
Drugs Expenses	(21,473)	4,167	25,640	615.4%	(559)	20,833	21,392	102.7%
Program Expenses	28,816	20,671	(8,146)	-39.4%	127,973	103,354	(24,619)	-23.8%
Land & Facility Expenses	293,888	309,619	15,731	5.1%	1,464,792	1,548,093	83,301	5.4%
Equipment & Vehicle Expenses	119,933	124,554	4,621	3.7%	602,326	622,771	20,445	3.3%
Other Operating Expenses	381,389	404,706	23,316	5.8%	2,054,051	2,088,528	34,478	1.7%
Total Indirect Expenses	1,971,022	2,261,693	290,672	12.9%	10,183,480	11,212,636	1,029,156	9.2%
Total Operating Expenses	6,650,807	7,631,087	980,280	12.8%	36,440,161	37,183,852	743,691	2.0%
Metrics								
Indirect Expenses/Direct Expenses	*42.1%*	*42.1%*			*38.8%*	*43.2%*		
Direct Expense/Gross Patient Revenue	*72.3%*	*62.8%*			*72.0%*	*62.0%*		
Non-Operating Income/Expense								
Interest Income/Expense	(22,906)	(30,833)	7,927	-25.7%	(135,471)	(154,167)	18,696	-12.1%
Donations Income	19,402	-	19,402	0.0%	(20,075)	-	(20,075)	0.0%
Other Non-Operating	2,343	(2,500)	4,843	-193.7%	2,343	(12,500)	14,843	-118.7%
Total Non-Operating	(1,161)	(33,333)	32,172	-96.5%	(153,203)	(166,667)	13,464	-8.1%
Net Income (Loss)	557,335	(160,637)	717,973	-447.0%	414,903	(199,748)	614,651	-307.7%

North Central Health Care
Statement of Cash Flows
For Month Ending May 31, 2020

Cash, Beginning of Period (April 30, 2020)			7,025,059
Operating Activities			
Net Income (Loss)	557,335		
Adjustments to Reconcile Net Income			
Depreciation	(8,963,825)		
(Increase) or Decrease in Current Assets			
Inventories	(36,439)		
Accounts Receivable	830,808		
Prepaid Expenses	(2,414)		
Cash Transfer from Pine Crest	(3,557,073)		
Increase or (Decrease) in Current Liabilities			
Accounts Payable	396,155		
Accrued Current Liabilities	2,040,525		
Net Change in Patient Trust Funds	35,625		
Unearned Revenue	(211,374)		
Net Cash from Operating Activites		(8,910,675)	
Investing Activites			
Net Change in Contingency Funds	-		
Purchases of Property and Equipment	16,933,714		
Pool Project Receivable	-		
Net Change in Long-Term Projects in Progress	-		
Net Cash from Investing Activites		16,933,714	
Financing Activies			
Appropriations Advancement	-		
Bonds and Interest	(9,656,580)		
Net Change in Purchase/Sale of Investments	500,000		
Net Cash from Financing Activities		(9,156,580)	
Net Increase (Decrease) in Cash During Period			(1,133,541)
Cash, End of Period (May 31, 2020)			5,891,518

North Central Health Care
Statement of Revenues and Expenses
For the Period Ending May 31, 2020

	MTD Actual	MTD Budget	MTD Variance	YTD Actual	YTD Budget	YTD Variance
Total Operating Revenue	7,206,711	7,439,617	(232,906)	36,711,351	36,829,937	(118,586)
Salaries and Wages	3,139,664	3,684,159	(544,495)	15,928,220	17,710,983	(1,782,763)
Fringe Benefits	1,037,242	1,534,946	(497,704)	5,939,491	7,381,787	(1,442,296)
Departments Supplies	843,205	875,712	(32,507)	4,583,384	4,366,656	216,728
Purchased Services	682,609	573,406	109,203	4,223,130	2,923,700	1,299,430
Utilitites/Maintenance Agreements	476,689	360,279	116,409	2,694,288	1,794,166	900,122
Personal Development/Travel	14,742	43,740	(28,998)	132,097	218,668	(86,571)
Other Operating Expenses	142,509	209,059	(66,550)	723,347	1,040,296	(316,949)
Insurance	47,163	43,611	3,552	207,558	216,721	(9,164)
Depreciation & Amortization	209,189	222,842	(13,652)	1,060,742	1,114,208	(53,467)
Client Purchased Services	57,795	75,000	(17,205)	947,905	375,000	572,905
	6,650,807	7,622,754	(971,947)	36,440,161	37,142,185	(702,025)
Nonoperating Income	1,431	30,833	(29,402)	143,711	154,167	(10,456)
Excess Revenue/(Expense)	557,335	(152,304)	709,639	414,902	(158,081)	572,983

North Central Health Care
Review of 2020 Programs by Service Line
For the Year-to-Date Period Ending May 31, 2020

	Revenue			Expense			By Program
	Actual	Budget	Variance	Actual	Budget	Variance	$ Variance
BEHAVIORAL HEALTH SERVICES							
Hospital	1,538,344	1,802,677	(264,333)	1,804,216	1,816,713	12,497	(251,836)
Hospital Psychiatry	163,388	178,314	(14,926)	749,405	698,393	(51,012)	(65,938)
Psychiatry Residency	130,822	131,250	(428)	180,090	188,591	8,501	8,073
Contract Services	-	-	-	1,071,096	390,831	(680,265)	(680,265)
Crisis	286,228	248,124	38,104	1,118,888	1,016,210	(102,677)	(64,574)
MMT	54,699	401,325	(346,626)	531,414	648,608	117,193	(229,433)
CBRF	431,940	506,479	(74,539)	335,519	506,479	170,961	96,422
Youth Hospital (eff: April for Exp)	-	125,847	(125,847)	29,753	334,838	305,085	179,238
Subtotal-Behavioral Health	2,605,421	3,394,016	(788,595)	5,820,381	5,600,663	(219,717)	(1,008,312)
COMMUNITY SERVICES							
Outpatient Services-Marathon Co	550,473	653,258	(102,784)	838,156	831,768	(6,389)	(109,173)
Outpatient Services-Lincoln Co	133,652	174,667	(41,015)	149,699	271,156	121,457	80,442
Outpatient Services-Langlade Co	138,820	286,792	(147,972)	200,883	340,635	139,751	(8,220)
Outpatient Psychiatry	421,042	491,863	(70,821)	1,676,795	1,709,411	32,616	(38,205)
Community Treatment Adult- Marathon	1,924,816	1,869,955	54,861	1,864,901	1,869,955	5,054	59,916
Community Treatment Adult- Lincoln	373,874	320,167	53,708	287,123	320,167	33,044	86,752
Community Treatment Adult- Langlade	248,962	291,083	(42,121)	215,784	291,083	75,299	33,178
Community Treatment Youth-Marathon	2,403,405	1,629,618	773,788	2,213,344	1,629,618	(583,727)	190,061
Community Treatment Youth-Lincoln	768,063	756,000	12,063	723,126	756,000	32,874	44,937
Community Treatment Youth-Langlade	635,047	583,750	51,297	587,616	583,750	(3,866)	47,431
Clubhouse	82,078	124,590	(42,513)	137,660	162,924	25,263	(17,249)
Sober Living	-	53,333	(53,333)	170	53,333	53,163	(170)
Subtotal-Community Services	7,680,233	7,235,075	445,158	8,895,258	8,819,798	(75,459)	369,699
COMMUNITY LIVING							
Adult Day Services-Marathon	264,714	345,994	(81,279)	238,117	303,131	65,015	(16,265)
Prevocational Services-Marathon	236,207	323,750	(87,543)	284,334	366,613	82,278	(5,265)
Prevocational/Day Services-Langlade	114,884	157,500	(42,616)	127,008	157,500	30,492	(12,124)
Lincoln Industries-Lincoln	335,627	792,917	(457,289)	454,984	792,917	337,932	(119,357)
Andrea St Group Home	200,815	218,333	(17,519)	175,478	209,293	33,814	16,296
Chadwick Group Home	213,874	221,667	(7,793)	169,676	216,148	46,472	38,679
Bissell Street Group Home	234,103	236,667	(2,564)	166,590	227,089	60,499	57,935
Heather Street Group Home	182,405	189,167	(6,762)	181,627	213,305	31,677	24,915
Jelinek Apartments	331,442	334,583	(3,141)	290,542	306,697	16,155	13,014
River View Apartments	290,953	261,250	29,703	234,172	258,882	24,709	54,413
Forest Street Apartments	141,680	257,500	(115,820)	231,612	244,490	12,878	(102,942)
Fulton Street Apartments	106,878	107,917	(1,039)	153,130	151,181	(1,949)	(2,987)
Subtotal-Community Living	2,653,581	3,447,244	(793,663)	2,707,270	3,447,244	739,974	(53,689)
NURSING HOMES							
MVCC Daily Services	8,268,088	8,174,730	93,358	8,585,729	9,115,015	529,286	622,644
MVCC Ancillary Services	915,884	879,473	36,411	450,583	564,188	113,605	150,016
Aquatic	244,287	426,121	(181,834)	412,259	568,765	156,506	(25,328)
Pine Crest-Daily Services	5,438,312	5,478,958	(40,646)	5,398,792	5,662,631	263,839	223,192
Pine Crest-Ancillary Services	606,544	546,250	60,294	569,206	546,250	(22,956)	37,338
Subtotal-Nursing Home	15,473,114	15,505,533	(32,419)	15,416,569	16,456,850	1,040,281	1,007,862
Pharmacy	2,937,492	2,160,798	776,694	2,714,007	2,160,798	(553,209)	223,485
OTHER PROGRAMS							
Birth To Three	468,120	-	468,120	468,119	-	(468,119)	0
Protective Services	354,707	-	354,707	296,777	-	(296,777)	57,930
Demand Transportation	168,906	179,960	(11,054)	121,780	179,960	58,180	47,125
Subtotal-Other Programs	991,732	179,960	811,772	886,676	179,960	(706,716)	105,056
Total NCHC Service Programs	32,341,574	31,922,626	418,948	36,440,161	36,665,314	225,153	644,101
Base County Allocation	2,089,573	2,090,753	(1,180)				(1,180)
Nonoperating Revenue	135,142	154,167	(19,024)				(19,024)
County Appropriation	2,288,776	2,288,777	(1)				(1)
Grand Total NCHC	36,855,065	36,456,322	398,743	36,440,161	36,665,314	225,153	623,896

North Central Health Care

Review of Services in Langlade County

For the Year-to-Date Period Ending May 31, 2020

	Revenue			Expense			By Program
	Actual	Budget	Variance	Actual	Budget	Variance	$ Variance
Direct Services							
Outpatient Services	138,820	286,792	(147,972)	200,883	340,635	139,751	(8,220)
Community Treatment-Adult	248,962	291,083	(42,121)	215,784	291,083	75,299	33,178
Community Treatment-Youth	635,047	583,750	51,297	587,616	583,750	(3,866)	47,431
Sober Living	-	53,333	(53,333)	170	53,333	53,163	(170)
Day Services	114,884	157,500	(42,616)	127,008	157,500	30,492	(12,124)
	1,137,713	1,372,458	(234,745)	1,131,462	1,426,301	294,839	60,094
Shared Services							
Inpatient	169,218	198,294	(29,076)	198,464	199,838	1,375	(27,701)
Hospital Psychiatry	17,973	19,615	(1,642)	82,435	76,823	(5,611)	(7,253)
Residency Program	14,390	14,438	(47)	19,810	20,745	935	888
Youth Hospital	-	13,843	(13,843)	3,273	36,832	33,559	19,716
CBRF	47,513	55,713	(8,200)	36,907	55,713	18,806	10,606
Crisis	31,485	27,294	4,192	123,078	111,783	(11,294)	(7,103)
MMT (Lakeside Recovery)	6,017	44,146	(38,129)	58,456	71,347	12,891	(25,238)
Outpatient Psychiatry	46,315	54,105	(7,790)	184,447	188,035	3,588	(4,203)
Protective Services	39,018	-	39,018	32,645	-	(32,645)	6,372
Birth To Three	47,928	-	47,928	47,928	-	(47,928)	(0)
Group Homes	80,912	84,284	(3,372)	67,496	84,284	16,788	13,416
Supported Apartments	-	-	-	-	-	-	-
Contract Services	-	-	-	117,821	42,991	(74,829)	(74,829)
	500,769	511,731	(10,961)	972,759	888,392	(84,366)	(95,328)
Total NCHC Programming	1,638,483	1,884,189	(245,706)	2,104,220	2,314,693	210,473	(35,233)
Base County Allocation	332,721	332,721	-				-
Nonoperating Revenue	8,736	11,929	(3,193)				(3,193)
County Appropriation	62,865	62,865	-				-
Excess Revenue/(Expense)	2,042,805	2,291,704	(248,899)	2,104,220	2,314,693	210,473	(38,426)

North Central Health Care
Review of Services in Lincoln County
For the Year-to-Date Period Ending May 31, 2020

	Revenue			Expense			By Program
	Actual	Budget	Variance	Actual	Budget	Variance	$ Variance
Direct Services							
Outpatient Services	133,652	174,667	(41,015)	149,699	271,156	121,457	80,442
Community Treatment-Adult	373,874	320,167	53,708	287,123	320,167	33,044	86,752
Community Treatment-Youth	768,063	756,000	12,063	723,126	756,000	32,874	44,937
Lincoln Industries	335,627	792,917	(457,289)	454,984	792,917	337,932	(119,357)
	1,611,217	2,043,750	(432,533)	1,614,932	2,140,239	525,308	92,774
Shared Services							
Inpatient	230,751	270,401	(39,650)	270,632	272,507	1,874	(37,776)
Inpatient Psychiatry	24,508	26,747	(2,239)	112,411	104,759	(7,652)	(9,891)
Residency Program	19,623	19,688	(64)	27,013	28,289	1,275	1,211
Youth Hospital	-	18,877	(18,877)	4,463	50,226	45,763	26,886
CBRF	64,791	75,972	(11,181)	50,328	75,972	25,644	14,463
Crisis	42,934	37,219	5,716	167,833	152,432	(15,401)	(9,686)
Outpatient Psychiatry	63,156	73,780	(10,623)	251,519	256,412	4,892	(5,731)
MMT (Lakeside Recovery)	8,204	60,199	(51,994)	79,712	97,291	17,579	(34,415)
Protective Services	53,206	-	53,206	44,516	-	(44,516)	8,689
Birth To Three	70,470	-	70,470	70,470	-	(70,470)	0
Apartments	-	-	-	-	-	-	-
Contract Services	-	-	-	160,664	58,625	(102,040)	(102,040)
	577,644	582,882	(5,238)	1,239,562	1,096,511	(143,051)	(148,289)
Total NCHC Programming	2,188,861	2,626,632	(437,771)	2,854,494	3,236,750	382,256	(55,515)
Base County Allocation	345,824	345,824	-				-
Nonoperating Revenue	12,193	16,628	(4,435)				(4,435)
County Appropriation	216,318	216,318	-				-
Excess Revenue/(Expense)	2,763,196	3,205,402	(442,206)	2,854,494	3,236,750	382,256	(59,949)

North Central Health Care
Review of Services in Marathon County
For the Year-to-Date Period Ending May 31, 2020

	Revenue			Expense			By Program
	Actual	Budget	Variance	Actual	Budget	Variance	$ Variance
Direct Services							
Outpatient Services	550,473	653,258	(102,785)	838,156	831,768	(6,389)	(109,174)
Community Treatment-Adult	1,924,816	1,869,955	54,861	1,864,901	1,869,955	5,054	59,916
Community Treatment-Youth	2,403,405	1,629,618	773,788	2,213,344	1,629,618	(583,727)	190,061
Day Services	500,921	669,744	(168,823)	522,451	669,744	147,293	(21,530)
Clubhouse	82,078	124,590	(42,513)	137,660	162,924	25,263	(17,249)
Demand Transportation	168,906	179,960	(11,054)	121,780	179,960	58,180	47,125
Aquatic Services	244,287	426,121	(181,834)	412,259	568,765	156,506	(25,328)
Pharmacy	2,937,492	2,700,998	236,495	2,714,007	2,700,998	(13,010)	223,485
	8,812,379	8,254,243	558,135	8,824,559	8,613,730	(210,829)	347,306
Shared Services							
Inpatient	1,138,374	1,333,980	(195,605)	1,335,120	1,344,368	9,248	(186,357)
Inpatient Psychiatry	120,907	131,953	(11,045)	554,559	516,811	(37,749)	(48,794)
Residency Program	96,808	97,125	(317)	133,266	139,558	6,291	5,974
Youth Hospital	-	93,127	(93,127)	22,017	247,780	225,763	132,636
CBRF	319,636	374,795	(55,159)	248,284	374,795	126,511	71,352
Crisis Services	211,808	183,612	28,196	827,977	751,996	(75,981)	(47,785)
MMT (Lakeside Recovery)	40,478	296,981	(256,503)	393,247	479,970	86,723	(169,780)
Outpatient Psychiatry	311,571	363,979	(52,408)	1,240,828	1,264,964	24,136	(28,272)
Protective Services	262,483	-	262,483	219,615	-	(219,615)	42,868
Birth To Three	349,722	-	349,722	349,722	-	(349,722)	0
Group Homes	750,284	781,549	(31,265)	625,876	781,549	155,673	124,408
Supported Apartments	870,953	961,250	(90,297)	909,456	961,250	51,794	(38,503)
Contracted Services	-	-	-	792,611	289,215	(503,396)	(503,396)
	4,473,024	4,618,349	(145,325)	7,652,578	7,152,255	(500,324)	(645,649)
Total NCHC Programming	13,285,402	12,872,592	412,810	16,477,137	15,765,985	(711,153)	(298,343)
Base County Allocation	1,411,027	1,412,208	(1,181)				(1,181)
Nonoperating Revenue	114,212	125,609	(11,397)				(11,397)
County Appropriation	1,200,922	1,200,922	-				-
Excess Revenue/(Expense)	16,011,563	15,611,331	400,232	16,477,137	15,765,985	(711,153)	(310,920)

North Central Health Care

Review of Services in Mount View Care Center

For the Year-to-Date Period Ending May 31, 2020

	Revenue			Expense			By Program
	Actual	Budget	Variance	Actual	Budget	Variance	$ Variance
Direct Services							
Long Term Care	1,671,603	1,495,624	175,979	1,817,295	1,673,957	(143,338)	32,641
Legacies	3,632,444	3,759,553	(127,108)	3,520,382	4,206,219	685,837	558,729
Post Acute Care	1,099,418	1,028,527	70,891	1,232,581	1,247,050	14,469	85,360
Vent Unit	1,864,622	1,891,027	(26,405)	2,015,470	1,987,789	(27,681)	(54,086)
Nursing Home Ancillary	24,871	41,667	(16,795)	20,473	41,667	21,194	4,399
Rehab Services	891,012	837,806	53,206	430,110	522,522	92,411	145,617
Total NCHC Programming	9,183,972	9,054,203	129,768	9,036,311	9,679,203	642,892	772,660
County Appropriation	625,000	625,000	-				-
Excess Revenue/(Expense)	9,808,972	9,679,203	129,768	9,036,311	9,679,203	642,892	772,660
Aquatic	244,287	426,121	(181,834)	412,259	568,765	156,506	(25,328)

North Central Health Care

Review of Services in Pine Crest Nursing Home

For the Year-to-Date Period Ending May 31, 2020

	Revenue			Expense			By Program
	Actual	Budget	Variance	Actual	Budget	Variance	$ Variance
Direct Services							
Long Term Care	3,014,169	3,307,083	(292,914)	3,345,305	3,315,999	(29,306)	(322,220)
Rehab Care (Post Acute)	1,168,643	911,721	256,922	877,508	987,283	109,775	366,697
Hospice Care	416,270	464,957	(48,687)	498,610	531,024	32,414	(16,273)
Special Care	839,230	795,198	44,032	677,369	828,325	150,956	194,989
Nursing Home Ancillary	132,934	145,833	(12,899)	211,005	145,833	(65,172)	(78,071)
Rehab Services	473,609	400,417	73,193	358,201	400,417	42,216	115,409
Total NCHC Programming	6,044,855	6,025,208	19,647	5,967,998	6,208,881	240,883	260,530
County Appropriation	183,673	183,673	0				0
Excess Revenue/(Expense)	6,228,528	6,208,881	19,647	5,967,998	6,208,881	240,883	260,530

North Central Health Care
Summary of Revenue Write-Offs
For the Period Ending May 31, 2020

	MTD	YTD	Prior YTD
Inpatient			
Administrative Write-Off	65,362	192,378	28,873
Bad Debt	54	4,324	295
Outpatient			
Administrative Write-Off	22,743	64,533	35,520
Bad Debt	136	1,278	2,188
Nursing Home Daily Services			
Administrative Write-Off	305	11,551	5,397
Bad Debt	-	1,541	1,437
Nursing Home Ancillary Services			
Administrative Write-Off	42	352	509
Bad Debt	-	-	-
Pharmacy			
Administrative Write-Off	32	97	803
Bad Debt	116	379	14
Grand Total			
Administrative Write-Off	88,483	268,912	71,101
Bad Debt	306	7,522	3,934

North Central Health Care

Invested Cash Reserves

For the Period Ending May 31, 2020

Institution	Length	Maturity Date	Interest Rate	Amount
PFM Investments	365 Days	6/3/2020	2.53%	486,000
PFM Investments	365 Days	7/8/2020	2.27%	487,000
People's State Bank	365 Days	8/21/2020	1.74%	500,000
Abby Bank	730 Days	8/29/2020	2.57%	500,000
Abby Bank	730 Days	9/1/2020	2.57%	500,000
PFM Investments	273 Days	9/8/2020	1.66%	492,000
Abby Bank	365 Days	10/29/2020	1.82%	500,000
PFM Investments	365 Days	12/4/2020	1.60%	490,000
CoVantage Credit Union	456 Days	12/9/2020	2.00%	500,000
PFM Investments	365 Days	12/17/2020	1.80%	490,000
Abby Bank	365 Days	12/30/2020	1.40%	500,000
PFM Investments	365 Days	12/30/2020	1.60%	980,000
Abby Bank	730 Days	1/6/2021	2.65%	500,000
BMO Harris	335 Days	1/26/2021	1.50%	500,000
CoVantage Credit Union	456 Days	1/29/2021	2.00%	300,000
PFM Investments	368 Days	2/14/2021	1.60%	490,000
CoVantage Credit Union	455 Days	2/19/2021	2.00%	500,000
Abby Bank	730 Days	2/25/2021	2.69%	500,000
CoVantage Credit Union	455 Days	3/3/2021	2.00%	500,000
CoVantage Credit Union	730 Days	3/8/2021	2.72%	500,000
BMO Harris	344 Days	4/30/2021	2.45%	500,000
Abby Bank	730 Days	7/19/2021	2.45%	500,000
People's State Bank	365 Days	5/29/2020	2.40%	350,000
People's State Bank	365 Days	5/30/2020	2.40%	500,000
Total Invested Funds				12,065,000
Weighted Average	463.51 Days		2.08%	Interest

North Central Health Care

Fund Balance Review

For the Year-to-Date Period Ending May 31, 2020

	Marathon	Langlade	Lincoln	Total
Total Operating Expenses, Year-to-Date	25,513,448	2,104,220	8,822,492	36,440,161
General Fund Balance Targets				
Minimum (20% Operating Expenses)	5,102,690	420,844	1,764,498	7,288,032
Maximum (35% Operating Expenses)	8,929,707	736,477	3,087,872	12,754,056
Risk Reserve Fund	250,000	250,000	250,000	
Total Fund Balance				
Minimum Target	5,352,690	670,844	2,014,498	8,038,032
Maximum Target	9,179,707	986,477	3,337,872	13,504,056
Total Net Position at Period End	36,855,065	2,042,805	8,991,725	47,889,595
Fund Balance Above/(Below)				
Minimum Target	31,502,375	1,371,961	6,977,227	39,851,563
Maximum Target	27,675,358	1,056,328	5,653,853	34,385,538
County Percent of Total Net Position	*77.0%*	*4.3%*	*18.8%*	*100.0%*
Share of Invested Cash Reserves	9,285,031	514,651	2,265,318	12,065,000
Days Invested Cash on Hand	*55*	*37*	*39*	*50*
Targeted Days Invested Cash on Hand	*90*	*90*	*90*	*90*
Required Invested Cash to Meet Target	6,290,987	518,849	2,175,409	8,985,245
Invested Cash Reserves Above/(Below) Target	2,994,043	(4,198)	89,909	3,079,755

North Central Health Care
Person centered. Outcome focused.

Executive Management Team Operational Initiatives

ID	Operational Objective	Current or Pending Activity on the Objective	Successful Final Outcome	Operations Responsible	Clinical Responsible	Status	Start	Targeted Completion
1	Employee Wellness and Resiliency Initiative	Roll out prepared and was set for April. Due to COVID-19 roll out delayed. Looking to roll out late summer/early fall. Wellness program includes biometric screening and wellness initiatives also partnership with Aspirus onsite employee health clinic.	Comprehensive Employee Wellness Program designed, objectives defined and successfully implemented.	Ops. Exec.	Employee Health Nurse	Implementing	Mar-19	Dec-20
2	Implementation of Clinical Career Tracks for Nursing and Counseling	Organizational Development along with Marketing and Communications are partnering to create a web version along with incorporation into annual review/new hire orientation.	Career tracks are establish and there is a successful communication and rollout of the program.	Ops. Exec.	CMO	Implementing	Jan-19	Dec-20
3	Campus Renovations	Aquatic building completed May 15th with final walk through completed May 21st. Youth Hospital & CBRF projected to be completed early August 2020. Nursing tower foundation and first floor poured with projected exterior completed by end of Fall 2020. Parking lots for all new facilities to completed by end of September 2020.	Succesful operations for 90 days in new buildings	CEO	CMO	Implementing	Jan-19	May-22
4	Youth Hospital Program	Youth Hospital Manager hired and beginning licensure completion with meetings occurring weekly to maintain pace and efficiency. Professional positions are being actively recruited for and paraprofessional recruitment set to begin in late June 2020.	Successful operations for 90 days; CMS approval	Ops. Exec.	CMO	Learning	Feb-19	Jul-20
5	Youth Crisis Stabilization Program	Weekly planning meetings occuring to review operations as well as funding of program.	Successful operations for 90 days; certified and accepted admissions	Ops. Exec.	Dr. Immler	Learning	Jan-20	Feb-21
6	Cerner Implementation	Project has started. Teams have been assigned and the data collection has started.	Go live of Cerner	IMS Exec	CMO	Implementing	Jan-19	Apr-21
7	Zero Suicide Initiative	Training of staff ongoing. Team is focusing on post-care planning and care transitions for remainder of the year.	Process established for monitoring and reduction of facility suicide attempts and facility completed suicides; creation of community zero suicide		CMO	Implementing	Jan-19	Mar-20
8	Update Comprehensive Community Service Contracts	Agreement still in drafting.	New 2020 contract instituted.	CEO		Learning	Jan-19	
9	In House Secuity Program	Security committee created, review of job descriptions and program overview. Security manual drafted.	Program fully staffed and operational	Ops. Exec.	CMO	Implementing		Sep-20
10	APS Transition to ADRC	APS staff are moving to their new office location adjacent to the ADRC-CW Wausau office. Meeting with County Corporation Counsels in June to start contract negotiations. Planning for a January 1, 2021 transition at this point.	ADRC has taken full operational responsibility.	CEO	N/A	Learning	Jan-19	Dec-20
11	Overhaul and Implement Incident Command/Emergency Preparedness	EM Committee continuing to meet. Delay in process due to COVID-19 and needing to stand up Incident Command Team. Emergency preparedness policy being developed and revision of current policies and procedures to occur by August 2020.	Completion of implementation plan	Ops. Exec.	CMO	Learning	Jan-19	Nov-20
12	Just Culture Program	Just Culture Program delayed at this time with focus on COVID-19 operations and employee engagement. Pulse surveys sent out to all staff with expected results in early June.	An assessment of past disciplinary actions and significant event reports. Recommendations for related updates to HR policies. Develop and send out a Just Culture survey assessment for staff.	Ops. Exec.	Quality & Clinical Transformation Director	On hold	Jan-19	Delayed
13	High Performance Culture Program	RDG2 was ready to roll out the training and education on high performance culture and was delayed due to COVID-19. Conversations started again to look to begin in Summer 2020.	Succesful implementation and roll out from RDG2	CEO	Pharmacy Director	Implementing	Jan-20	Aug-21
14	Data Analytics Expansion to the Dashboard	Project is in initial discovery and implementation phases.	Have daily real time analytic report	IMS Exec	CMO	On hold	Jan-19	Delayed
15	Review of Purchasing Systems and Processes	Reduced one FTE and will continue to evaluate inventory management efficiencies within the new campus footprint.	Recommendations are developed; purchasing policy approved by Board	CFO	N/A	Learning	Jan-19	Jan-21

Policy Title: Employee Compensation Policy	North Central Health Care Person centered. Outcome focused.
Policy #: 205-Policy Number	**Program:** Human Resources 205
Date Issued: 12/14/2017	**Policy Contact:** HR Director

Related Forms

Fair Labor Standards Act**;** Wis. Stats. 272.12 Interpretation of Hours Worked

1. Purpose

This policy is applicable to all direct care providers and staff working at NCHC, including students, interns and contracted staff. North Central Health Care's Employee Compensation Policy ensures that pay is established and administered according to competitive, equitable, effective and compliant principles. The standards of this policy are to be complied with by staff while they are employed in any NCHC facility during regularly scheduled work times.

2. Definitions

Exempt: An employee, based on duties performed and manner of compensation is exempt from the Fair Labor Standards Act (FLSA) minimum wage and overtime provisions. Exempt employees are paid on a salary basis and must work full-time.

Non-Exempt: All other employees who are subject to FLSA minimum wage and overtime provisions or work part-time are paid on an hourly basis.

Full-Time Equivalent: A full 1.0 FTE is equal to 2,080 hours worked in a year.

Regular Full-time: An employee who works a regular schedule and is expected to normally work at least thirty hours (0.75 FTE) up to forty hours (1.0 FTE) per work week.

Regular Part-time: An employee who works a regular schedule and is expected to normally work at least twenty hours (0.50 FTE) but not more than thirty hours (0.75 FTE) per work week.

Limited Part-time: An employee who works a regular schedule and is expected to normally work up to twenty hours per week (Less than 0.50 FTE).

Occasional: An employee who works irregular hours on an as-needed basis not to exceed 1,000 hours worked in any 12-month period with a minimum of one shift in a 60 day period.

Seasonal: An employee who is either a student that will be limited to work hours during their off-school periods and/or weekends or individuals who only work specific periods in the course of a year.

Professional Staff: Occupations which require specialized and theoretical knowledge which is usually acquired through college training or through work experience, licensure and other training which provides comparable knowledge.

Paraprofessional Staff: Occupations in which workers perform some of the duties of a professional in a supportive role, which usually require less formal training and/or experience normally required for professional status.

3. Policy

Employee compensation is objectively administered and non-discriminatory in theory, application, and practice.

Time Keeping

Accurately recording hours worked is the responsibility of every employee. Hours worked is all time spent performing assigned duties and does not include paid leave. All non-exempt employees must accurately record time worked on a time card for payroll purposes and are required to record their own time at the beginning and end of each work period, and the start and end of any unpaid break. No work shall be performed by employees prior to their clocking in at the start of their work day, during lunch, other unpaid breaks, or after clocking out at the end of the day. No one at NCHC has the authority to ask, encourage, or insinuate that an employee perform work off the clock. Altering, falsifying, tampering with time records, or recording time on another employee's time record may result in disciplinary action, up to and including termination of employment.

Payroll

Employees of NCHC are paid on a bi-weekly basis by direct deposit on alternating Fridays. In the event that a regularly scheduled payday falls on a bank holiday, employees will be paid the day prior to the bank holiday. Each workweek begins on Sunday at 12:00 am (midnight) and ends the following Saturday at 11:59 pm. Each paycheck will include earnings for all hours through the end of the previous payroll period.

Payroll Deductions

North Central Health Care reserves the right to make deductions and/or withhold compensation from an employee's paycheck as long as such action complies with applicable state and federal law. In addition, it may be possible for you to authorize NCHC to make additional deductions from your paycheck for extra income taxes, contributions to retirement savings programs or insurance benefits (if eligible). These deductions will be itemized on your payroll statement. The amount of the deductions may depend on your earnings and the information you furnish on your W-4 form regarding the number of dependents/exemptions you claim. Any change in name, address, telephone number, marital status or number of exemptions must be

reported to Human Resources immediately to ensure proper credit for tax purposes. The W-2 form you receive each year indicates precisely how much of your earnings were deducted for these purposes. Any other mandatory deductions to be made from your paycheck, such as court-ordered garnishments, will be explained whenever NCHC is ordered to make such deductions.

Every effort is made to avoid errors in an employee's paycheck. If you believe an error has been made or you have a question about your pay, notify your supervisor immediately. North Central Health Care will take the necessary steps to research the problem and to assure that any necessary correction is made properly and promptly.

Breaks

Employees scheduled to work more than four hours may take reasonable time to rest, however, breaks are not guaranteed. Breaks must be approved by an employee's immediate supervisor. Employees who leave NCHC property must punch out for a minimum of 30 minutes. Breaks, including lunch periods, exceeding thirty (30) minutes are unpaid unless specifically authorized by management.

Lunch breaks, which are unpaid, are thirty (30) minutes after six (6) hours worked and an additional thirty (30) minutes after twelve (12) hours worked. Prior approval must be given by an employee's supervisor to exceed a thirty (30) minute unpaid lunch period or to work through lunch. Employees under age 18 may not work more than six 6 hours without a duty free thirty (30) minute break.

Base Pay

Base compensation is an employee's hourly rate without any differential, overtime, or additional pay factored in. Base compensation is designed to provide competitive and fair compensation to employees for fulfilling the full scope of responsibilities and accountabilities as outlined in the job description. Base compensation salary ranges and market rates for each position are established by researching industry and local salary survey data on an annual basis. Base compensation levels within the established range for the position are determined on the basis of an employee's ability to execute the responsibilities of the position.

Merit Pay

North Central Health Care may award annual pay increases in the form of merit increases. Merit pay is used to reward successful performance and is based on the amount of funding available, the relative positon of an individual's current pay to the market rate, and annual performance evaluation factors. Annual merit increases are considered in February of each year with any merit adjustment applied in March.

Overtime

North Central Health Care will comply with the provisions of the Fair Labor Standard Act and provide for systematic review of exemption status for all employees. All exempt positions will have a documented analysis establishing the basis for the

exemption designation of the position. Overtime shall be compensated for non-exempt employees at one and one half (1 ½) times the employee's hourly rate of pay. Overtime is defined as any hours worked in excess of 40 hours per week.

Overtime work is to be held to a minimum consistent with the needs of the program. Prior approval by management must be obtained for all overtime hours worked. It is the responsibility of each department to explore all possible alternatives before a decision is made to require employees to work on an overtime basis. Further, it is the responsibility of each department to ensure that the provisions of overtime pay are administered in the best interest of NCHC services. Each department should develop internal controls that provide a means of reviewing and evaluating the use of overtime.

Shift Differential

North Central Health Care pays shift differentials to non-exempt staff for hours worked on:

- Evenings (Monday – Sunday, 2 p.m. until 10 p.m.)
- Nights (Monday – Sunday, 10 p.m. until 6 a.m.)

Employees working in programs with established shifts (i.e., Mount View Care Center, Pine Crest Nursing Home, Residential Services, Inpatient Hospital, Food Services, etc.) are eligible and will be paid shift differentials for any time worked in the shift. All other employees are not eligible for shift differential.

Paraprofessional non-exempt employees will be paid shift differential of $1.00 per hour for PM shifts, $1.00 per hour for night shifts. Professional non-exempt employees will be paid shift differential of $1.50 per hour for PM shifts, $2.50 per hour for night shifts.

On-Call Pay

On-call pay is for an employee who must remain available to be called back to work on short notice if the need arises. Employees required to be in official on-call status will be paid $2.50 per hour served on-call. Employees are not eligible to receive payment for both hours worked and on-call pay for the same hours. If an employee reports to work during on-call status, on-call pay ends when the employee reports to work. If an employee must remain on NCHC property or so near that time cannot be used freely, it is not considered on-call time but is to be recorded as work time. Note: If you are called in you will be paid the greater of two hours of work or actual time worked.

Pickup Pay

North Central Health Care (NCHC) programs with established shifts have an identified need to incentivize staff to pick up shifts in order to provide cares or meet the needs of the patients served.

1) Pickup Pay amounts which are outlined below can only be received by eligible programs and employees within 3 weeks or 21 calendar days of the shift being

worked, any shifts picked up prior to 3 weeks or 21 calendar days will not be eligible for Pickup Pay.

Hours Picked Up:	**Pick Up Pay Received:**
3 to 6.75 Hours	1 Hour at Employee's Regular Rate of Pay
7 to 11.75 Hours	2 Hours at Employee's Regular Rate of Pay
12 to 16 Hours	3 Hours at Employee's Regular Rate of Pay

Ineligibility for Pick Up Pay

1) Programs without established shifts including but not limited to Human Resources, HIM, Business Operations, Patient Financial Services, Outpatient, Community Treatment, Transportation and Aquatics.
2) Employees who are below a 0.5 FTE do not qualify for Pickup Pay
3) Employees who are in an "on-call shift" status
4) Scheduling up shifts or assigned shifts are not eligible for Pickup Pay
5) Flex hours or shifts are not eligible for Pickup Pay
6) Fill in/Swap hours or shifts are not eligible for Pickup Pay
7) Employees on approved PLT that pick up their own scheduled shift are not eligible for Pickup Pay

Temporary Appointment Pay

Employees temporarily appointed to positions of a higher classification may be eligible for a pay increase during the temporary appointment period. The supervisor in coordination with Human Resources will review temporary appointment pay rates annually based on approved compensation administration guidelines. If the temporary appointment has a difference of one salary range, the pay differential will generally be two-thirds the difference of the old and new market midpoints. If a difference of two or more pay ranges occurs, the pay differential will generally be one-half the difference between the old and new market midpoints.

Holiday Pay

Regular full-time and part-time employees receive the following paid holidays:

New Year's Day	Thanksgiving Day
Memorial Day	Christmas Eve Day
Independence Day	Christmas Day
Labor Day	New Year's Eve Day

For holiday pay purposes, employees subject to seven (7) day a week scheduling are paid on the actual holiday. For employees working a Monday – Friday schedule, when any of these holidays fall on a Saturday or Sunday, the preceding Friday or following Monday are considered the holiday for scheduling purposes. Holiday pay is paid based on an employee's status. Regular full-time employees will be paid eight (8) hours for each holiday; regular part-time employees will be paid six (6) hours).

Holiday Premium

Any non-exempt employee who works during any paid holiday will be paid at the overtime rate for all hours worked on the actual holiday (12:00 a.m. until 11:59 p.m.) in addition to any holiday pay received. Hours worked on a holiday that may be eligible for overtime are not eligible for holiday premium.

An employee, who fails to work a scheduled holiday, including the scheduled day immediately prior to or following the paid holiday, will forfeit any holiday pay and holiday premium, unless that employee is off of work due to a Worker's Compensation incident or approved Family Medical Leave.

Funeral Pay

Funeral pay recognizes that employees need time to make arrangements, handle family matters and attend funerals when a death occurs with an immediate member of their family without suffering short-term financial burdens from loss of income. Therefore, in the event of a death in the immediate family of an employee, full-time and regular part-time employees (0.5 FTE and greater) will upon request to their supervisor, be granted up to three days of paid funeral leave. Exceptions for additional days in extraordinary situations may be approved at the sole discretion of the Operations Executive. Funeral leave must be used within fourteen (14) days of the death with employees solely being eligible to be paid for those days that are scheduled workdays.

Immediate family includes an employee's spouse, child, father, mother, brother, sister, grandparent, grandchild, or counterpart step relatives, in-laws or any person who had resided with the employee immediately preceding the person's death.

If an employee wants to attend a funeral of a person not meeting the requirements of funeral pay, they may, upon supervisor approval, request PLT or make arrangements to trade shifts.

Jury Duty

Employees must report to NCHC when they are notified for jury duty. Upon receipt of appropriate documentation, employees who serve on a jury or are subpoenaed to appear as a witness before a court or administrative tribunal shall be paid their regular earnings for hours served during regular scheduled hours. However, employees will be required to submit payments received for jury duty

including mileage reimbursement to NCHC to offset this benefit. When released from jury or witness duties employees shall immediately return to their job and complete the scheduled work day. Employees shall not be entitled to overtime or shift differential under this provision.

4. References

Fair Labor Standards Act**;** Wis. Stats. 272.12 Interpretation of Hours Worked

Related Policies, Procedures and Documents

Compensation Administration Manual

#20-211

North Central Health Care

AGREEMENT
BETWEEN
NORTH CENTRAL HEALTH CARE
AND
WAUSAU COMMUNITY DEVELOPMENT AUTHORITY
FOR
PERSONAL & SUPPORTIVE LIVING, MEAL AND NURSING SERVICES

North Central Health Care ("NCHC"), of 1100 Lake View Drive, Wausau, Wisconsin, 54403, and the **Wausau Community Development Authority** ("Authority"), 550 E. Thomas Street, Wausau, WI 54403, agree as follows:

1. **Services**. NCHC agrees to perform services as requested by the Authority and outlined in Exhibit A, attached hereto and incorporated herein ("Services"). NCHC represents and warrants that NCHC possesses the knowledge, skill, and experience necessary to perform the Services and will do so with the maximum reasonable degree of quality and attention to detail, and in a timely manner.

2. **Fees**. As specifically described in Exhibit B hereto, NCHC shall receive compensation from Authority for provision of the Services rendered by NCHC under this Agreement.

3. **Term and Termination**. This Agreement is effective on August 1, 2020 until July 31, 2021 ("Initial Term"). The Agreement shall automatically renew for successive one (1) year terms ("Renewal Term") unless otherwise terminated as follows:

    a. By mutual agreement of the parties.

    b. By either party without cause upon ninety (90) days' prior written notice to the other party. Termination will be effective at the end of the then-current term.

    c. By either party upon (30) days' prior written notice to the other in the event the other part fails or refuses to perform the duties and responsibilities under this Agreement, provide, however, that in the event failure to perform can be remedied within thirty (30) days after such notice is given, such notice shall be null and void if the failure is remedied within said period.

    d. Upon the effective date of the applicable notice of termination, this Agreement shall be and become of no further force and effect whatsoever and each of the parties hereto shall be relieved and discharged from any further obligations except as otherwise provided herein.

4. **Notice**. Any notice required or permitted under this Agreement shall be deemed sufficiently given or served if sent by registered mail to the following applicable party at the following address:

   To NCHC, by addressing to:

   North Central Health Care
   Attention: Chief Executive Officer
   1100 Lake View Drive
   Wausau, WI, 54403

   To Authority, by addressing to:

   Wausau Community Development Authority
   Attention: Executive Director
   540 East Thomas Street
   Wausau, WI, 54403-6799

   If either party designates a new contact person that party will notify the other party in writing of the name and address of the new contact person.

5. **Records**. Authority will provide records as required by state and federal laws, rules and regulations, and the terms of any payer agreement pertaining to funds allocated to the Riverview Terrace Residential Apartment Complex, and will allow inspection, to the extent permitted by law, by representatives of NCHC or governmental agencies to the extent necessary to confirm Authority's compliance with this Agreement. Authority will disclose no client-identifying information relating to eligible clients who receive services under this Agreement except with the client's informed written consent or that of the client's legal guardian or agent as authorized under a valid Health Care Power of Attorney, and except to the extent permitted by applicable state and federal confidentiality laws.

6. **Indemnification**. Each Party shall be legally and financially responsible for the acts and omissions of itself and its employees, directors, officers and agents and will pay all losses and damages attributable to such acts or omissions for which is legally liable. NOTWITHSTANDING THE FOREGOING, NO PARTY SHALL BE LIABLE FOR ANY OTHER PARTY'S INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, REGARDLESS OF WHETHER THE PARTIES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE. This Agreement shall not be construed to create a contractual obligation for either party to indemnify the other for loss or damage resulting from any act or omission of the other party or its employees, directors, officers and agents. This section shall not constitute a waiver by either party of any rights to indemnification, contribution or subrogation which the party may have by operation of law.

7. **Qualifications**. NCHC shall at all times (as applicable) meet all qualifications, licenses, certification and approvals necessary to perform the services described herein.

8. **Insurance**.

(a) Workers Compensation. NCHC shall maintain Workers Compensation Insurance as required by Wisconsin Statutes, for all NCHC employees. In case any work is subcontracted, the contracting party shall require the subcontract or similarly to provide statutory Workers Compensation for all of the subcontractor's employees, unless such employees are covered by the protection afforded by either party's policies.

(b) Insurance. NCHC shall secure and maintain in force throughout the duration of this agreement Comprehensive General Liability, Professional Liability, Automobile Liability, Business Interruption, Excess Liability Insurance covering its officers, agents, and employees, and including all buildings, parking lots, sidewalks and other common areas subject to this Agreement, and their use. Said insurance shall cover Authority, and any subcontractor, regarding claims for damages for personal injuries, including accidental death, as well as from claims for property damage, which may arise from operations under this agreement. The minimum amount of such insurance shall be as follows:

i. Professional Liability Coverage: $1,000,000 per occurrence and $3,000,000 in aggregate.

On all policies purchased or maintained by the Parties in accordance with this section, each party shall add the other party as an additional insured and shall provide certificates of insurance showing the coverage called for upon request.

9. **Mutual Indemnification and Hold Harmless.** Authority hereby agrees to release, indemnify, defend and hold harmless NCHC from and against all judgments, damages, penalties, losses, costs, claims, expenses, suits, demands, debts, actions and/or causes of action of any type or nature whatsoever, which NCHC sustains and which is determined to be directly caused by the negligent or intentional acts or omissions of Authority or its officers, officials, employees, agent or assigns occurring or sustained prior to the Assumptions Date in connection with operation of the Riverview Terrace Residential Apartment Complex by the Authority. Authority does not waive, and specifically reserves, its rights to assert any and all affirmative defenses and limitations of liability as specifically set forth in Wisconsin Statutes, DHS Chapter 89 and related statutes.

NCHC hereby agrees to release, indemnify, defend and hold harmless Authority, its officials, officers, employees and agents from and against all judgments, damages, penalties, or nature whatsoever, including actual and reasonable attorney's fees, which occur or are sustained, directly or indirectly, relating to NCHC's assumption or operation of the Riverview Terrace Residential Care Apartment Complex , or services provided in connection with the Riverview Terrace Residential Care Apartment Complex after the Assumptions Date. NCHC does not waive, and specifically reserves, its rights to assert any and all affirmative defenses and limitations of liability as specifically set forth in Wisconsin Statutes, DHS Chapter 89 and related statutes.

10. **Title XVIII Requirements** (if applicable). In accordance with Title XVIII provisions, until the expiration of four (4) years after the furnishing of Services pursuant to this Agreement, NCHC will make available, upon written request of the Secretary, United States Department of Health and Human Services, or upon request of the Controller General, or any of their duly authorized representatives, the Agreement and such books, documents, and records of NCHC, as are necessary to certify the nature and extent of such Services. NCHC shall not be permitted to carry out any of the duties and responsibilities hereunder by use of subcontractors.

11. **Inability to Provide Service**. NCHC shall notify Authority's contact person immediately of NCHC's inability to provide any service called for under this Agreement.

12. **Nondiscrimination**. NCHC will comply with all nondiscrimination and other requirements pertaining to grant funds and/or state and federal regulations applicable to the Authority. Additionally, NCHC will not discriminate against any consumer of services provided under this Agreement because of age, race, creed, color, sex or handicap. To the extent required by federal or state law, NCHC agrees that in performing work under this Agreement, NCHC will not discriminate against any employee or applicant for employment because of their age, race, creed, color, handicap, marital status, sex, national origin, ancestry, sexual orientation, arrest record, conviction record, membership in the National Guard, state defense force or any other reserve component of the military forces of the United States or the State of Wisconsin, or use or nonuse of lawful products off the employer's premises during nonworking hours. This prohibition shall include, but not be limited to, discrimination in employment upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. NCHC agrees to take affirmative action to ensure equal employment opportunities, and to post in a conspicuous place available for employees and applicants for employment notices setting forth these nondiscrimination provisions.

13. **Compliance with Laws**. NCHC will comply with all local, state, and federal laws and regulations, including certification and licensure requirements, which may apply to the provision of services under this Agreement. NCHC shall acknowledge, agree to, and abide by any and all terms and conditions applicable to Wisconsin Regulations Administrative Code Chapter DHS 89, in whole or in part. NCHC shall be required to abide by all policies, procedures, and standards of Authority in the performance of this Agreement.

14. **Corporate Compliance**. Authority acknowledges the commitment of NCHC to carry out the provision of health care and all related activities consistent with the highest ethical, moral and legal standards, as well as the adoption by NCHC of a corporate compliance plan to do so. Authority shall make its employees, agents, directors and officers aware of this commitment and ensure their compliance with it in all respects. In the event of a breach of the corporate compliance plan by Authority, this Agreement shall automatically terminate.

15. **Caregiver Background Check**. NCHC is identified as a covered entity under the Caregiver Background Check Law, and agrees to operate in accordance with the provision of Section 48.685 and 50.065 of Wisconsin Statutes and Administrative Codes DHS12 and DHS13, with regard to the employment of individuals with a criminal history, the performance of employee background checks, and the reporting and investigation of caregiver misconduct. In addition, NCHC agrees to the following:

    a. To complete the Background Information Disclosure Form and the background check on all required individuals;

    b. Upon request, provide Authority with a copy of the Background Information Disclosure Form and the results of the background check;

    c. Not assign persons barred by the law from performing services; and

    d. Inform Authority of any allegations of misappropriation, abuse, or misconduct related to the NCHC's performance of service under this contract.

16. **Representations and Warranties**. NCHC represents and warrants (as applicable) to Authority as follows: (i) NCHC is not bound by any agreement or arrangement which would preclude NCHC from entering into, or from fully performing the Services required under, this Agreement; (ii) NCHC has never been denied, suspended, revoked, or terminated, or restricted in any way under any license or approval necessary for the performance of the Services hereunder; (iii) NCHC has not in the past conducted, and is not presently conducting its business in such manner as to cause NCHC to be suspended, excluded, debarred or sanctioned under the Medicare or Medicaid Programs, or any government licensing agency, nor has NCHC ever been charged with or convicted of a criminal offense related to health care, or listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation; (v) NCHC shall perform the Services required hereunder in accordance with all applicable federal, state, and local laws, rules and regulations, all applicable standards of any other relevant accrediting organizations, all applicable bylaws, rules, regulations, procedures and policies of NCHC. Each of the representations and warranties set forth herein shall be continuing and in the event any such representation or warranty fails to remain true and accurate during the Term, NCHC shall immediately notify Authority.

17. **Health Insurance Portability Act of 1996 (HIPAA) Applicability**.

    a. NCHC agrees to comply with the federal regulations implementing the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") to the extent those regulations apply to the Services NCHC provides or purchases with funds provided under this contract.

    b. NCHC shall comply with all requirements of HIPAA as it applies to NCHC's Services under this Agreement and shall execute a Business Associate Agreement with Authority.

18. **Marketing and Advertising**. Both parties agree that they shall obtain written permission prior to using the other party's name, trade name, image, symbol, design or trademark in any marketing, advertising, or promotional campaign or in any brochures, written information, television or radio announcements, or in any other medium or manner whatsoever. Such permission may be given or withheld in either party's sole, absolute and arbitrary discretion.

19. **Independent Contractor Status**. In the performance of Services NCHC is acting as an independent contractor. No provision of this Agreement is intended to create or shall be construed to create any relationship between the Authority and NCHC other than that of independent entities contracting with each other solely for the purpose of effecting the provisions of this Agreement. Authority does not, by this Agreement, reserve control over the methods or procedures to be utilized by NCHC, as long as the quality of NCHC's services satisfied all rights hereof.

20. **Governing Law**. The validity, interpretation and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin.

21. **Exclusion from Federal Health Care Programs**. NCHC hereby represents and warrants that it is not and at no time has been excluded from participation in any federally funded health care programs, including Medicare and Medicaid. NCHC agrees to immediately notify Authority of any threatened, proposed or actual exclusion from any federally funded health care program, including Medicare and Medicaid, with respect to it or any of its employees or contractors. In the event that NCHC is excluded from participation in any federally funded health care program during the term of this Agreement, or if at any time after the effective date of this Agreement it is determined that NCHC is in breach of this requirement, this Agreement shall, as of the effective date of such exclusion or breach, automatically terminate.

25. **Referrals**. The parties acknowledge that none of the benefits granted to Authority hereunder are conditioned on any requirement that NCHC make referrals to, or otherwise generate business for Authority. The parties further acknowledge that NCHC is not restricted from referring to, contracting with, or otherwise generating any business for, any other facility of his/her choosing.

26. **Severability**. The provisions of the Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be effective and binding upon the parties.

27. **Captions**. Any captions to or headings of the sections, subsections, paragraphs or subparagraphs of this Agreement are solely for the convenience of the parties, are not a part of the Agreement, and shall not be used for the determination of the validity or interpretation of this Agreement or any provision hereof.

28. **Waiver**. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions hereof shall not be construed as a waiver of any other terms and conditions hereof.

29. **No Third-Party Benefit**. This Agreement shall not create any rights in any third parties who have not entered into this Agreement, nor shall this Agreement entitle any such third party to enforce any rights or obligations that may be possessed by such third party.

30. **Non-Assignment**. No rights or obligations hereunder may be assigned, transferred, delegated or set over unto any other person, firm or corporation without the express written approval of the other party.

31. **Entire Agreement**. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to Services. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party that are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.

32. **Notices**. All notices required by this Agreement to be given to or by NCHC and Authority shall be affected by personal delivery in writing or by mail, registered or certified, postage prepaid with receipt requested to the requisite party of the principal office of said party as set out in Section 1. Notices delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated twenty-four (24) hours after mailing. Either NCHC or Authority may change the address to which such written notices must be sent by notifying the other party of the change of address in the manner hereinabove set forth.

33. **Successors and Assigns**. This Agreement shall be binding upon the parties hereto and upon their representatives, heirs, successors, and subject to the terms and conditions hereof, their assigns.

34. **Counterparts**. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

WAUSAU COMMUNITY DEVELOPMENT AUTHORITY

By: _____ Date: _____
Christian Schock
Executive Director

NORTH CENTRAL HEALTH CARE

By: _____ Date: _____
Michael Loy, CEO
North Central Health Care

North Central Health Care

Exhibit A
Services

NCHC agrees to provide the following professional Services which are in accordance with DHS 89 requirements and generally described in the following duties in providing Personal and Supportive Living, Meal and Nursing Services to the tenants of Riverview Terrace, which include:

1. **Personal and Supportive Living Services**
    a. Daily assistance with all activities of daily living which includes dressing, eating, bathing, grooming, toileting, transferring and ambulation or mobility.
    b. Meal preparation and planning, light housekeeping in tenants' apartments, laundry service, and arranging for medical services and transportation to medical services.
    c. Health monitoring, medication administration and management.
    d. NCHC will work with Riverview Terrace Management to arrange for mutually agreeable tenant activities each month and shall provide no less than a minimum of two (2) organized activities per month to the tenants of Riverview Terrace in accordance with DHS 89 requirements. NCHC reserves the right to charge a nominal fee not to exceed $10 per event for organized activities that exceed the activities budget.
    e. NCHC agrees to provide Personal Care Workers for Supportive Living Services for Riverview Terrace tenants during the following hours:

Time Period	Number of Staff	Hours per day	Hours per week
7:30 am – 6:30 pm	1	11	77
8:00 am – 8:00 pm	1	12	84
Team Leader	1	(varies)	10

2. **Meal Services**
    a. Purchase, prepare and serve daily noon meals for tenants of Riverview Terrace. The daily noon meal will be delivered daily by 11:45 a.m.
    b. A monthly calendar of meals will be provide at least two weeks prior to the following month.
    c. Meals will meet one-third (1/3) of the Recommended Daily Allowance (RDA). This minimum includes:
        – 3 oz. serving of meat, fish, poultry (protein)
        – ½ cup servings of vegetables, fruit and juice
        – Bread or bread alternative
        – Tsp. of butter or margarine
        – 8 oz. of milk
        – ½ cup or 2x2 piece of dessert

3. **Nursing Services**
    a. NCHC will provide up to eight (8) hours of Nursing Services per week.
    b. Nursing will perform a comprehensive assessment prior to admission for each person seeking admission or readmission.
    c. Nursing will reassess each tenant's capabilities, needs, and preferences as identified in the comprehensive assessment at least annually to determine whether there have been changes that would necessitate a change in the service or risk.

North Central Health Care

Exhibit B
Compensation

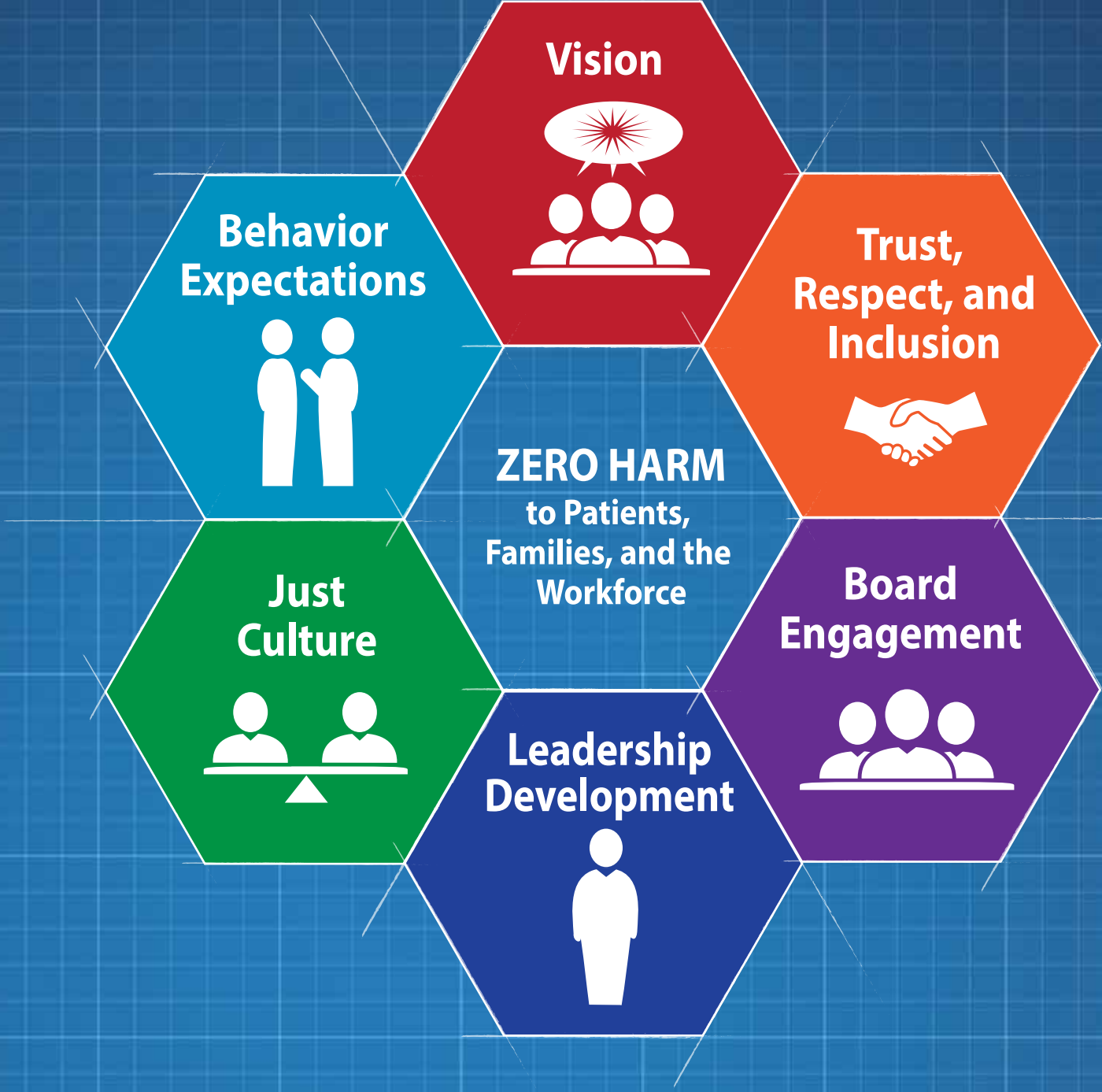
Compensation for Services rendered in Exhibit A shall be paid by Authority to NCHC as follows:

Personal and Supportive Living Services - $21,500 per month

Food Services - $5,500 per month

Nursing Consultant Services -$2,500 per month

Invoices will be issued monthly and are due upon receipt. Unless otherwise agreed to by the parties, all invoices outstanding over 30 days will be charged interest at the lessor of 1% per month or the maximum rate permitted by law.



Leading a Culture of Safety: A Blueprint for Success

AmericanCollege *of* HealthcareExecutives
for leaders who care®

IHI/NPSF Lucian Leape Institute

Leading a Culture of Safety: A Blueprint for Success

American College of Healthcare Executives

The American College of Healthcare Executives is an international professional society of 40,000 healthcare executives who lead hospitals, healthcare systems, and other healthcare organizations. Its mission is to advance its members and healthcare management excellence. ACHE offers its prestigious FACHE® credential, signifying board certification in healthcare management. Its established network of 78 chapters provides access to networking, education, and career development at the local level. In addition, ACHE is known for its magazine, *Healthcare Executive*, and its career development and public policy programs. Through such efforts, ACHE works toward its vision of being the preeminent professional society for healthcare executives dedicated to improving health. **The Foundation of the American College of Healthcare Executives** was established to further advance healthcare management excellence through education and research. The Foundation of ACHE is known for its educational programs — including the annual Congress on Healthcare Leadership, which draws more than 4,000 participants — and groundbreaking research. Its publishing division, Health Administration Press, is one of the largest publishers of books and journals on health services management, including textbooks for college and university courses.

For more information, visit www.ache.org.

The IHI/NPSF Lucian Leape Institute

Established in 2007, the IHI/NPSF Lucian Leape Institute is charged with defining strategic paths and calls to action for the field of patient safety, offering vision and context for the many efforts under way within healthcare, and providing the leverage necessary for system-level change. Its members are national thought leaders with a common interest in patient safety. Their expertise and influence are brought to bear as the Institute calls for the innovation necessary to create significant, sustainable improvements in culture, process, and outcomes that are critical to safer healthcare.

For more information, visit www.npsf.org/LLI.

The Institute for Healthcare Improvement / National Patient Safety Foundation

The Institute for Healthcare Improvement (IHI) and the National Patient Safety Foundation (NPSF) began working together as one organization in May 2017. The newly formed entity is committed to using its combined knowledge and resources to focus and energize the patient safety agenda in order to build systems of safety across the continuum of care. To learn more about our trainings, resources, and practical applications, visit ihi.org/PatientSafety.

The Culture of Safety Imperative

Harm to Patients and the Workforce

In 1999, the Institute of Medicine (IOM) Committee on Quality of Health Care in America estimated that between 44,000 and 98,000 Americans die each year as a result of medical errors (IOM 1999). More recent estimates place this number closer to 200,000 deaths per year (James 2013). Though deaths due to medical error are notoriously difficult to measure, if this number is accurate within 100,000 deaths, medical error kills four times more Americans each year than motor vehicle accidents. It is important to note that these statistics, while disconcerting on their own, do not account for serious temporary or permanent physical and psychological harm caused by medical error, and they do not include harm to the healthcare workforce. Regardless of the measurement or estimation used, the rate of error and harm in healthcare is astounding, and sweeping, system-wide changes are imperative.

Moreover, when patients experience harm, clinicians find themselves negatively impacted as well. Being involved in an error that results in the harm or death of a patient is devastating for an individual who is committed to serving those who are sick. At its worst, this devastation can lead to self-harm, depression, isolation, and even suicide. The desolation that often results from causing harm is compounded for clinicians who work in organizations without supportive systems. Based on the 2016 Agency for Healthcare Research and Quality (AHRQ) Hospital Survey on Patient Safety Culture's hospital comparative database, only 64% of staff respondents felt that reported mistakes led to positive changes in their organization. Even fewer members of the workforce, only 45%, responded positively to questions related to their organization's non-punitive response to error (AHRQ 2016).

Considering the impact described above, every healthcare executive should prioritize enhancing the safety of patients and the workforce. As an industry, healthcare has taken steps in improving quality and patient safety. However, these small-scale, incremental improvements are not enough. Our immediate work requires a focus on safety not just as a key improvement initiative but as a core value that is fully embedded throughout our organizations and our industry.

In every healthcare organization, the ultimate responsibility for system-based errors and their resulting costs rests with the CEO and Board of Directors. CEOs and Boards will be held increasingly responsible for harm and death caused by error. In the long run, patient and workforce safety will not only be a moral imperative but will likely be critical to sustainability and essential to delivering on value.

Based on data from James and the American Hospital Association, an average, 100-bed hospital committed errors in care that caused the death of 23 patients in 2013. Such statistics indicate that each organization contributed to the preventable death of almost one patient every other week (AHA 2014, James 2013).

The Business Case for Safety

While the business case for patient safety continues to expand and to change with new regulatory and reimbursement requirements, the general consensus within the healthcare research community is that organizational costs for error and harm are high and will likely increase in the coming years. In addition to the increase in direct cost of care for the impacted patient and family following an error, organizations must also consider personnel costs, regulatory costs, and resource costs including investigation of errors, pursuit of legal defense, and payment of settlements. Perhaps most important to consider are the potentially immense costs related to repairing reputation after a catastrophic event has occurred and been publically reported (Weeks and Bagian 2003). When each of these costs is considered on top of the direct cost of patient care, the business case for improving safety becomes abundantly compelling.

A Case Study in Culture:

Mr. Jones is a previously healthy 55-year-old man, with a recent history of shortness of breath that is related to exercise. He has been referred by his primary care physician for a cardiology consultation, at which a stress test is ordered. The results of the stress test indicate a positive finding for potential heart disease. These results are not communicated back to his primary care provider, and although they are sent to the referring cardiologist, he is away at a conference. Mr. Jones receives no communications about the results of his test. One week later, Mr. Jones presents to the emergency department with chest pain and is diagnosed with an acute myocardial infarction. Upon further review of his medical records, the care team reviews his past test results and learns about the positive stress test. Mr. Jones requires placement of a stent to open his coronary artery, and requires rehabilitation prior to discharge to his home due to reduced cardiac function. One week after discharge from inpatient rehabilitation, Mr. Jones returns to his primary care physician, who realizes that Mr. Jones is not taking one of the new cardiac medications that was ordered by his inpatient team.

A Tale of Two Organizations: Which is more like yours?

ORGANIZATION A:

The inpatient team notifies the patient safety department about the missed test result, and a root cause analysis is performed to determine why Mr. Jones' critical test result was not communicated to either him or his cardiologist. Action steps from the root cause analysis focus on re-educating the stress test department about the policy for communication of abnormal test results.

The lessons from the root cause analysis are not shared beyond the safety team. The action plan is not presented to the leadership team or the Board for approval, and does not include metrics for sustainability. The CEO and Board hear about the event only as a statistic presented quickly at the end of a quarterly Board meeting.

Mr. Jones is not informed about either the missed stress test result or the root cause analysis.

The primary care provider writes a new prescription for the cardiac medication. Mr. Jones ultimately misses several weeks of work.

ORGANIZATION B:

The inpatient team notifies the patient safety department about the missed test result, and a root cause analysis is performed. Action steps include designing a new process for communication of test results that includes an escalation policy when it is not immediately possible to communicate critical test results to the ordering provider and/or the patient.

The primary care provider ensures that Mr. Jones begins taking the cardiac medication and also notifies the risk management/patient safety department about the delay in medication use. An additional root cause analysis is conducted, with a clear tracing of the breakdown during transition from hospital to rehabilitation and rehabilitation to home, and how and why it may have occurred.

The results of both RCAs, including strong action plans for improvement and metrics for sustainability, are presented to the organization's leadership team for review and approval. The CEO presents the case and action plan at the next quality and safety meeting.

Mr. Jones' care team informs him about these breakdowns in communication, and how they may have contributed to his myocardial infarction and could cause future health issues. His care team extends an apology, as well as an offer for early resolution and compensation that helps Mr. Jones pay for his medical bills, his time away from work, and the additional costs associated with the need for his family to care for him.

Six months later, an assigned member of the leadership team follows up with the frontline care team involved in the event to evaluate and reassess the action plan and review improvement metrics. These results are presented at the next Board meeting.

DEBRIEF

Many organizations report that their response to handling Mr. Jones' situation is more similar to Organization A than to Organization B. This example is but one of many that illustrate why healthcare must create and improve systems that are committed to zero harm to patients and our workforce.

Introduction

Dr. Lucian Leape, widely regarded as the father of the modern patient safety movement, has repeatedly stated that "the single greatest impediment to error prevention in the medical industry is that we punish people for making mistakes." By prioritizing, developing, and sustaining an organizational culture focused on safety, we can drive the future of healthcare to a place where patients and those who care for them are free from harm. It is not only one of many priorities, but is the overriding ethical imperative for all leaders.

AHRQ defines a culture of safety as one "in which healthcare professionals are held accountable for unprofessional conduct, yet not punished for human mistakes; errors are identified and mitigated before harm occurs; and systems are in place to enable staff to learn from errors and near-misses and prevent recurrence" (AHRQ PSNet Safety Culture 2014). The leaders of organizations must set and, more importantly, demonstrate the behaviors and expectations essential to a safe and transparent culture.

To help healthcare leaders achieve their mission of total system safety, ACHE and the Lucian Leape Institute have partnered to develop this guide, which is intended to assist leaders in creating, shaping, and sustaining the type of culture needed to advance patient and workforce safety efforts. It is designed to inspire, motivate, and inform you as you lead your organization on its journey to zero harm.

The information in this guide comes from industry leaders and experts who have had success in transforming their organizations into system-wide cultures of safety. It is designed for you and your team members to adapt to your organization, wherever you may be on your journey.

Cultures of Safety Across the Continuum

Because error and harm happen across the continuum, it is imperative that all improvement initiatives also encompass all care settings. While some of the tactics and recommendations throughout this document will be more relevant in certain environments than others, the key principles developed throughout the six domains are applicable to all who oversee the delivery of care—not just hospital settings. This work is intended to be adapted as needed to enhance applicability for all organizations. However, the key concepts—building trust, respect, and enthusiasm for improvement through behaviors and principles that focus on ameliorating systems issues while requiring fair and inclusive practices—are critical to safe care in all settings.

This resource is organized into six leadership domains that require CEO focus and dedication to develop and sustain a culture of safety:

Establish a compelling vision for safety. An organization's vision reflects priorities that, when aligned with its mission, establish a strong foundation for the work of the organization. By embedding a vision for total patient and workforce safety within the organization, healthcare leaders demonstrate that safety is a core value.

Build trust, respect, and inclusion. Establishing trust, showing respect, and promoting inclusion — and demonstrating these principles throughout the organization and with patients and families — is essential to a leader's ability to create and sustain a culture of safety. In order to achieve zero harm, leaders must ensure that their actions are consistent at all times and across all levels of the organization. Trust, respect, and inclusion are non-negotiable standards that must encompass the Board room, the C-suite, clinical departments, and the entire workforce.

Select, develop, and engage your Board. Governing Boards play a vital role in creating and maintaining safety cultures. CEOs are responsible for ensuring the education of their Board members on foundational safety science, including the importance of and processes for keeping patients and the workforce safe. Boards must ensure that metrics that meaningfully assess organizational safety and a culture of safety are in place and systematically reviewed, analyzed, and the results acted upon.

Prioritize safety in the selection and development of leaders. It is the responsibility of the CEO, in collaboration with the Board, to include accountability for safety as part of the leadership development strategy for the organization. In addition, identifying physicians, nurses, and other clinical leaders as safety champions is key to closing the gap between administrative and clinical leadership development. Expectations for the design and delivery of relevant safety training for all executive and clinical leaders must be set by the CEO and subsequently spread throughout the organization.

Lead and reward a just culture. Leaders must possess a thorough understanding of the principles and behaviors of a just culture, and be committed to teaching and modeling them. Human error is and always will be a reality. In a just culture framework, the focus is on addressing systems issues that contribute to errors and harm. While clinicians and the workforce are held accountable for actively disregarding protocols and procedures, the reporting of errors, lapses, near-misses, and adverse events is encouraged. The workforce is supported when systems break down and errors occur. In a true just culture, all workforce members—both clinical and non-clinical—are empowered and unafraid to voice concerns about threats to patient and workforce safety.

Establish organizational behavior expectations. Senior leaders are responsible for establishing safety-mindfulness for all clinicians and the workforce and, perhaps even more importantly, modeling these behaviors and actions. These behaviors include, but are not limited to, transparency, effective teamwork, active communication, civility, and direct and timely feedback. These cultural commitments must be universally understood and apply equally to the entire workforce, regardless of rank, role, or department.

The journey toward patient and workforce safety requires vigilance and the highest level of dedication. Safety cannot be merely a strategic priority, but must be a core value that is woven into the fabric of our organizations. A culture of safety demands the involvement and commitment of the full healthcare team, from patients to clinicians to the rest of the workforce. However, an organization cannot be what its leader is not. It is both the obligation and the privilege of every healthcare CEO to create and represent a compelling vision for a culture of safety: a culture in which mistakes are acknowledged and lead to sustainable, positive change; respectful and inclusive behaviors are instinctive and serve as the behavioral norms for the organization; and the physical and psychological safety of patients and the workforce is both highly valued and ardently protected.

A Note about Disparities in Care

Across the United States, individuals experience great differences in life expectancy and other health outcomes based on social determinants that may include ethnicity, religion, socioeconomic status, geographic location, sexual orientation, and gender identity, among others. It is impossible to envision an organization driving toward zero harm that is not also consciously focused on addressing these disparities.

Professor Margaret Whitehead, head of the World Health Organization (WHO) Collaborating Centre for Policy Research on the Social Determinants of Health, defines equity in health this way: "Ideally everyone should have a fair opportunity to attain their full health potential and, more pragmatically, no one should be disadvantaged from achieving this potential, if it can be avoided" (Whitehead and Dahlgren 2006). The reality of healthcare today is that quality and safety cannot be achieved without equity. Healthcare organizations have the power to address disparities at the point of care and to make an impact on many of the determinants that create these disparities (Institute for Healthcare Improvement 2016). Because equity in health is essential to quality and safety, mitigation of health disparities must be prioritized across the six domains for developing a culture of safety. Not only is creating health equity part of the safety imperative, but it requires many of the same mechanisms recommended throughout this document.

A Note about Learning Systems

The IOM describes a learning healthcare system as one in which "science, informatics, incentives, and culture are aligned for continuous improvement and innovation, with best practices seamlessly embedded in the care process, patients and families are active participants in all elements, and new knowledge captured as an integral by-product of the care experience" (IOM 2013).

While this guide focuses on developing and sustaining a culture that drives patient and workforce safety outcomes, a CEO's accountability for developing and supporting a learning system is equally important. Change implementation is a vast interdisciplinary undertaking that requires all aspects of a safety culture, from safety science knowledge, to trust, respect, and visionary leadership (Friedman 2015). The design of learning systems may vary—from high reliability to Six Sigma™ to the Toyota Production System and other Lean methodologies—but the key characteristics are the same. Zero harm to patients and the workforce is only possible with both a robust culture of safety and an embedded organizational learning system.

The Path to Equity in Healthcare Leads to High Performance, Value, and Organizational Excellence

Joseph R. Betancourt, MD, *vice president, chief equity and inclusion officer, Massachusetts General Hospital, and associate professor of medicine, Harvard Medical School, Boston, Massachusetts*

Equity is the principle that quality of care should not vary by patient characteristics such as race and ethnicity (Institute of Medicine, 2001). This pillar of quality has drawn interest in light of research that consistently finds that patients from racial and ethnic minority groups receive lower-quality healthcare than their white counterparts do—even with the same insurance and socioeconomic status, and even when comorbidities, stage of presentation, and other confounders are considered (Smedley, Stith, & Nelson, 2003).

These disparities are caused in part by the difficulty that minority patients experience in navigating—and trusting—the healthcare system and their inability to communicate effectively with their healthcare providers because of low health literacy or limited English proficiency. In addition, minority patients are subject to stereotyping when healthcare providers make certain assumptions (e.g., about the patients' ability to adhere to treatment) that affect clinical decision-making and, ultimately, the quality of care.

As our nation becomes increasingly diverse, the effects of these stereotypes and assumptions will be magnified. Nevertheless, many of these barriers are not unique to minority patients and are, in fact, vulnerabilities that affect patients of all backgrounds. Ultimately, racial and ethnic disparities in the quality of care lead to overall diminished value, higher costs, and wider gaps in health outcomes. For these reasons, among others, healthcare leaders must identify and address such disparities in their organizations (Smedley et al., 2003).

ACHIEVING EQUITY

Efforts to achieve equity in healthcare are undoubtedly moving forward, driven by correlations between disparities and the value quintet of patient safety, patient experience, avoidable hospitalizations, readmissions, and population health. For example, the American Hospital Association, in collaboration with the American College of Healthcare Executives, America's Essential Hospitals, the Association of American Medical Colleges, and the Catholic Health Association, launched the Equity of Care campaign in 2014 (Equity of Care, n.d.). This

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The author declares no conflicts of interest.

DOI: 10.1097/JHM-D-19-00257

campaign challenges hospitals to commit to collecting race and ethnicity data on patients and monitoring the quality of care provided to them. To date, more than 1,800 hospitals nationwide have signed on to the pledge. The Disparities Solutions Center at Massachusetts General Hospital, which I have directed for the past 14 years, has worked with more than 100 hospitals in 33 states. Massachusetts General Hospital's Disparities Leadership Program also supports the evolution of a national movement toward equity, and the lessons from this work demonstrate the importance of executing on a series of basic tactics (Betancourt, 2014):

1. **Securing leadership buy-in**—ensuring that all leaders prioritize equity because they understand its connection to quality, safety, cost, and value
2. **Developing a strategic plan and oversight structure**—creating a multidisciplinary working group empowered by leadership to create a blueprint for action, with appropriate accountability
3. **Collecting data and monitoring performance**—compiling data on key patient demographics, such as race, ethnicity, and language, and monitoring the quality of care stratified by these markers to identify disparities
4. **Developing interventions to address disparities**—training care teams in the areas of disparities, cross-cultural communication, and the impact of personal characteristics on clinical decision-making; incorporating health coaches, navigators, and community health workers in population health initiatives; and fortifying interpreter services

KEY LEADERSHIP APPROACHES

This equity playbook is not complex, yet barriers to action and implementation remain. As healthcare leaders aim to achieve equity and drive toward high performance, value, and organizational excellence, a few approaches will serve them well.

Develop Strategic Messages and Communications

When healthcare leaders commit to achieving equity, they must develop strategic messages and communications to engage their entire organization. This can be done via any channels that leaders use to routinely communicate across the institution. Equity should not seem like a transient or remedial effort; it should instead be positioned as completely in line with healthcare's mission of delivering high-value, high-quality, reliable care to anyone, from anywhere, all the time. It must also be made relevant to everyone in the organization and seen by everyone as the responsibility of all.

The messaging and communication strategy does not need to come at the expense of hard conversations about disparities and historical root causes, including racism, segregation, and medical experimentation. Nevertheless, the conversation cannot end there. Enlisting the assistance of communications professionals can be helpful, and linking equity to aspirational values can increase the chances that the organization can integrate and sustain these efforts over the long term. Of course, the more one is able to link equity to quality, safety, cost, value, and other ongoing movements, the likelier an organization will view these efforts as "need to do" rather than merely "nice to do."

Focus on Organizational Change Management

Organizational change management is a framework for managing the effect of new processes, changes in organizational structure, or cultural changes on people in an enterprise (Rouse, 2017). Although the framework has not typically been applied to efforts to achieve equity, research has demonstrated that organizational change management strategies are exactly what is needed, called for, and desired by those engaged in these efforts (Betancourt, Tan-McGrory, Kenst, Phan, & Lopez, 2017). For example, a study of 115 organizations that participated in the Disparities Leadership Program over 9 years and engaged in efforts to achieve equity found that organizational change management strategies were essential to their success. In particular, the following specific organizational change management strategies all proved essential to achieving equity:

- Knowing who to involve (engaging multiple stakeholders across the organization)
- Shaping organizational culture (raising awareness and building the case for equity)
- Creating urgency, establishing the vision, and making both the rational and emotional case (using quantitative and qualitative data along with case studies and stories)
- Engaging the organization and audience (employing routine internal and external communications)
- Harnessing the power of a collaborative network (leveraging others who are engaged in this work locally and nationally)

Prevent "SDOH Drift"

There is little doubt that social influences—such as lower levels of education, overall lower socioeconomic status, inadequate and unsafe housing, racism, and living in close proximity to environmental hazards—disproportionately affect minority populations and thus contribute to disparities and poorer health outcomes. These social determinants of health (SDOHs), also known as "drivers of health," have garnered remarkable attention, especially in the context of value-based contracting and population health. Although this attention is justified (and long overdue), it has led to a drift away from clear and frank discussions about health equity and racial and ethnic disparities in healthcare. In fact, this pivot has resulted in less attention to disparities and greater emphasis on concepts that many see as less charged than addressing issues of race. Furthermore, this drift has provided a sense of confirmation among those who always felt that disparities were due solely to SDOHs, not differences in quality of care or clinical decision-making. Preventing SDOH drift and focusing explicitly on disparities in healthcare will be mission-critical tasks for future leaders in achieving equity in healthcare.

Link Equity to Diversity and Inclusion

Leaders must develop a portfolio of activities that link equity to diversity and inclusion, which are necessary means to the end. This portfolio should include initiatives that aim to better recruit, retain, promote, and support a healthcare workforce—including nurses, doctors, researchers, and staff—that is diverse in all ways for patients as well as research participants. Caregiver training activities also will improve cross-cultural communication,

mitigate stereotypes that influence clinical decision-making, and foster team cohesion. Finally, there should be an organizational focus on inclusion and building a culture in which care teams and patients feel valued, respected, and engaged.

Ensure Equity in Every Effort

If efforts to achieve equity in healthcare are to be truly transformational, a culture of "equity in every effort" first must take root. This kind of culture is not realized through a mere slogan or campaign. Instead, it follows a philosophy that both challenges and requires leaders throughout a healthcare organization to deliberately consider the effects of their work on all populations, not just a select few. This philosophy calls for a legitimate pause for consideration when interventions or initiatives are developed to discern how they might affect diverse populations—and whether they lessen, or widen, the disparities in healthcare. Achieving equity in healthcare will require that this process become a mandatory function in all efforts.

CONCLUSION

The path to high performance, value, and organizational excellence can only be successfully navigated through equity in healthcare. There is clear momentum along this path, and future healthcare leaders must continue to follow the road map put forth by the Institute of Medicine more than a decade ago (Smedley et al., 2003).

Equity in healthcare and success in an ever-evolving market with increasing patient diversity will come when leaders

- acknowledge that racial and ethnic disparities persist and are a clear sign of unequal and low-value healthcare;
- understand that the root causes of these disparities are complex, but a well-developed set of evidence-based approaches is available to address them; and
- focus on messaging and communication, organizational change management, and equity in every effort as they caution against SDOH drift and tie equity to diversity and inclusion.

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U.S. Department of Justice
Criminal Division

Evaluation of Corporate Compliance Programs

Guidance Document
Updated: April 2019

U.S. Department of Justice
Criminal Division

Evaluation of Corporate Compliance Programs

~~**(Updated April 2019)**~~

Introduction

The "Principles of Federal Prosecution of Business Organizations" in the Justice Manual describe specific factors that prosecutors should consider in conducting an investigation of a corporation, determining whether to bring charges, and negotiating plea or other agreements. JM 9-28.300. These factors include "the adequacy and effectiveness of the corporation's compliance program at the time of the offense, as well as at the time of a charging decision" and the corporation's remedial efforts "to implement an adequate and effective corporate compliance program or to improve an existing one." JM 9-28.300 (citing JM 9-28.800 and JM 9-28.1000). Additionally, the United States Sentencing Guidelines advise that consideration be given to whether the corporation had in place at the time of the misconduct an effective compliance program for purposes of calculating the appropriate organizational criminal fine. *See* U.S.S.G. §§ 8B2.1, 8C2.5(f), and 8C2.8(11). Moreover, the memorandum entitled "Selection of Monitors in Criminal Division Matters" issued by Assistant Attorney General Brian Benczkowski (hereafter, the "Benczkowski Memo") instructs prosecutors to consider, at the time of the resolution, "whether the corporation has made significant investments in, and improvements to, its corporate compliance program and internal controls systems" and "whether remedial improvements to the compliance program and internal controls have been tested to demonstrate that they would prevent or detect similar misconduct in the future" to determine whether a monitor is appropriate.

This document is meant to assist prosecutors in making informed decisions as to whether, and to what extent, the corporation's compliance program was effective at the time of the offense, and is effective at the time of a charging decision or resolution, for purposes of determining the appropriate (1) form of any resolution or prosecution; (2) monetary penalty, if any; and (3) compliance obligations contained in any corporate criminal resolution (e.g., monitorship or reporting obligations).

Because a corporate compliance program must be evaluated in the specific context of a criminal investigation, the Criminal Division does not use any rigid formula to assess the effectiveness of corporate compliance programs. We recognize that each company's risk profile and solutions to reduce its risks warrant particularized evaluation. Accordingly, we make ~~an~~a reasonable, individualized determination in each case that considers various factors including, but not limited to, the company's size, industry, geographic footprint, regulatory landscape, and other factors, both internal and external to the company's operations, that might impact its compliance program. There are, however, common questions that we may ask in the course of making an individualized determination. As the Justice Manual notes, there are three "fundamental questions" a prosecutor should ask:

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Evaluation of Corporate Compliance Programs

~~**(Updated April 2019)**~~

1. "Is the corporation's compliance program well designed?"
2. "Is the program being applied earnestly and in good faith?" In other words, is the program ~~being implemented~~adequately resourced and empowered to function effectively?
3. "Does the corporation's compliance program work" in practice?

See JM ~~§~~ 9-28.800.

In answering each of these three "fundamental questions," prosecutors may evaluate the company's performance on various topics that the Criminal Division has frequently found relevant in evaluating a corporate compliance program~~.~~ both at the time of the offense and at the time of the charging decision and resolution.[1] The sample topics and questions below form neither a checklist nor a formula. In any particular case, the topics and questions set forth below may not all be relevant, and others may be more salient given the particular facts at issue~~.~~[1] and the circumstances of the company.[2] Even though we have organized the topics under these three fundamental questions, we recognize that some topics necessarily fall under more than one category.

I. Is the Corporation's Compliance Program Well Designed?

The "critical factors in evaluating any program are whether the program is adequately designed for maximum effectiveness in preventing and detecting wrongdoing by employees and whether corporate management is enforcing the program or is tacitly encouraging or pressuring employees to engage in misconduct." JM 9-28.800.

Accordingly, prosecutors should examine "the comprehensiveness of the compliance program," JM 9-28.800, ensuring that there is not only a clear message that misconduct is not tolerated, but also policies and procedures – from appropriate assignments of responsibility, to training programs, to systems of incentives and discipline – that ensure the compliance program is well-integrated into the company's operations and workforce.

A. Risk Assessment

The starting point for a prosecutor's evaluation of whether a company has a well-designed compliance program is to understand the company's business from a commercial perspective, how the company has identified, assessed, and defined its risk profile, and the degree to which the program devotes appropriate scrutiny and resources to the spectrum of risks. In short, prosecutors should endeavor to understand why the company has chosen to set up the compliance program the way that it has, and why and how the company's compliance program has evolved over time.

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Prosecutors should consider whether the program is appropriately "designed to detect the particular types of misconduct most likely to occur in a particular corporation's line of business" and "complex regulatory environment[]." JM 9-28.800~~.[2]~~.[3] For example, prosecutors should consider whether the company has analyzed and addressed the varying risks presented by, among other factors, the location of its operations, the industry sector, the competitiveness

of the market, the regulatory landscape, potential clients and business partners, transactions with foreign governments, payments to foreign officials, use of third parties, gifts, travel, and entertainment expenses, and charitable and political donations.

Prosecutors should also consider "[t]he effectiveness of the company's risk assessment and the manner in which the company's compliance program has been tailored based on that risk assessment" and whether its criteria are "periodically updated." *See, e.g.*, JM 9-47-120(2)(c); U.S.S.G. § 8B2.1(c) ("the organization shall periodically assess the risk of criminal conduct and shall take appropriate steps to design, implement, or modify each requirement [of the compliance program] to reduce the risk of criminal conduct").

Prosecutors may credit the quality and effectiveness of a risk-based compliance program that devotes appropriate attention and resources to high-risk transactions, even if it fails to prevent an infraction ~~in a low-risk area.~~ Prosecutors should therefore consider, as an indicator of risk-tailoring, "revisions to corporate compliance programs in light of lessons learned." JM 9-28.800.

- **Risk Management Process** – What methodology has the company used to identify, analyze, and address the particular risks it faces? What information or metrics has the company collected and used to help detect the type of misconduct in question? How have the information or metrics informed the company's compliance program?

- **Risk-Tailored Resource Allocation –** Does the company devote a disproportionate amount of time to policing low-risk areas instead of high-risk areas, such as questionable payments to third-party consultants, suspicious trading activity, or excessive discounts to resellers and distributors? Does the company give greater scrutiny, as warranted, to high-risk transactions (for instance, a large-dollar contract with a government agency in a high-risk country) than more modest and routine hospitality and entertainment?

- **Updates and Revisions** – Is the risk assessment current and subject to periodic review? ~~Have there been any updates to policies and procedures in light of lessons learned?~~ Is the periodic review limited to a "snapshot" in time or based upon continuous access to operational data and information across functions? Has the periodic review led to updates in policies, procedures, and controls? Do these updates account for risks discovered through misconduct or other problems with the compliance program?

- **Lessons Learned** – Does the company have a process for tracking and incorporating into its periodic risk assessment lessons learned either from the company's own prior issues or from those of other companies operating in the same industry and/or geographical region?

B. Policies and Procedures

Any well-designed compliance program entails policies and procedures that give both content and effect to ethical norms and that address and aim to reduce risks identified by the company as part of its risk assessment process. As a threshold matter, prosecutors should examine whether the company has a code of conduct that sets forth, among other things, the

company's commitment to full compliance with relevant Federal laws that is accessible and applicable to all company employees. As a corollary, prosecutors should also assess whether the company has established policies and procedures that incorporate the culture of compliance into its day-to-day operations.

- **Design** – What is the company's process for designing and implementing new policies and procedures and updating existing policies and procedures, and has that process changed over time? Who has been involved in the design of policies and procedures? Have business units been consulted prior to rolling them out?

- **Comprehensiveness** – What efforts has the company made to monitor and implement policies and procedures that reflect and deal with the spectrum of risks it faces, including changes to the legal and regulatory landscape?

- **Accessibility** – How has the company communicated its policies and procedures to all employees and relevant third parties? If the company has foreign subsidiaries, are there linguistic or other barriers to foreign employees' access? Have the policies and procedures been published in a searchable format for easy reference? Does the company track access to various policies and procedures to understand what policies are attracting more attention from relevant employees?

- **Responsibility for Operational Integration** – Who has been responsible for integrating policies and procedures? Have they been rolled out in a way that ensures employees' understanding of the policies? In what specific ways are compliance policies and procedures reinforced through the company's internal control systems?

- **Gatekeepers** – What, if any, guidance and training has been provided to key gatekeepers in the control processes (*e.g.*, those with approval authority or-

certification responsibilities)? Do they know what misconduct to look for? Do they know when and how to escalate concerns?

C. Training and Communications

Another hallmark of a well-designed compliance program is appropriately tailored training and communications.

Prosecutors should assess the steps taken by the company to ensure that policies and procedures have been integrated into the organization, including through periodic training and certification for all directors, officers, relevant employees, and, where appropriate, agents and business partners. Prosecutors should also assess whether the company has relayed information in a manner tailored to the audience's size, sophistication, or subject matter expertise. Some companies, for instance, give employees practical advice or case studies to address real-life scenarios, and/or guidance on how to obtain ethics advice on a case-by-case basis as needs arise.

Other companies have invested in shorter, more targeted training sessions to enable employees to timely identify and raise issues to appropriate compliance, internal audit, or other risk management functions. Prosecutors should also assess whether the training adequately covers prior compliance incidents and how the company measures the effectiveness of its training curriculum.

Prosecutors, in short, should examine whether the compliance program is being disseminated to, and understood by, employees in practice in order to decide whether the compliance program is "truly effective." JM 9-28.800.

- **Risk-Based Training** – What training have employees in relevant control functions received? Has the company provided tailored training for high-risk and control employees, including training that addresses risks in the area where the misconduct occurred? Have supervisory employees received different or supplementary training? What analysis has the company undertaken to determine who should be trained and on what subjects?

- **Form/Content/Effectiveness of Training** – Has the training been offered in the form and language appropriate for the audience? Is the training provided online or in-person (or both), and what is the company's rationale for its choice? Has the training addressed lessons learned from prior compliance incidents? Whether online or in-person, is there a process by which employees can ask questions arising out of the trainings? How has the company measured the effectiveness of the training? Have employees been tested on what they have learned? How has the company addressed ~~employees who fail all or a portion of the testing?~~

employees who fail all or a portion of the testing? Has the company evaluated the extent to which the training has an impact on employee behavior or operations?

- **Communications about Misconduct** – What has senior management done to let employees know the company's position concerning misconduct? What communications have there been generally when an employee is terminated or otherwise disciplined for failure to comply with the company's policies, procedures, and controls (*e.g.*, anonymized descriptions of the type of misconduct that leads to discipline)?

- **Availability of Guidance** – What resources have been available to employees to provide guidance relating to compliance policies? How has the company assessed whether its employees know when to seek advice and whether they would be willing to do so?

D. Confidential Reporting Structure and Investigation Process

Another hallmark of a well-designed compliance program is the existence of an efficient and trusted mechanism by which employees can anonymously or confidentially report allegations of a breach of the company's code of conduct, company policies, or suspected or actual misconduct. Prosecutors should assess whether the company's complaint-handling process includes ~~pro-active~~proactive measures to create a workplace atmosphere without fear of retaliation, appropriate processes for the submission of complaints, and processes to protect whistleblowers. Prosecutors should also assess the company's processes for handling

investigations of such complaints, including the routing of complaints to proper personnel, timely completion of thorough investigations, and appropriate follow-up and discipline.

Confidential reporting mechanisms are highly probative of whether a company has "established corporate governance mechanisms that can effectively detect and prevent misconduct." JM 9-28.800; *see also* U.S.S.G. § 8B2.1(b)(5)(C) (an effectively working compliance program will have in place, and have publicized, "a system, which may include mechanisms that allow for anonymity or confidentiality, whereby the organization's employees and agents may report or seek guidance regarding potential or actual criminal conduct without fear of retaliation").

- **Effectiveness of the Reporting Mechanism** – Does the company have an anonymous reporting mechanism~~,~~ and, if not, why not? How is the reporting mechanism publicized to the company's employees~~?~~ and other third parties? Has it been used? Does the company take measures to test whether employees are aware of the hotline and feel comfortable using it? How has the company assessed the seriousness of the~~-~~

allegations it received? Has the compliance function had full access to reporting and investigative information?

- **Properly Scoped Investigations by Qualified Personnel** – How does the company determine which complaints or red flags merit further investigation? How does the company ensure that investigations are properly scoped? What steps does the company take to ensure investigations are independent, objective, appropriately conducted, and properly documented? How does the company determine who should conduct an investigation, and who makes that determination?

- **Investigation Response** – Does the company apply timing metrics to ensure responsiveness? Does the company have a process for monitoring the outcome of investigations and ensuring accountability for the response to any findings or recommendations?

- **Resources and Tracking of Results** – Are the reporting and investigating mechanisms sufficiently funded? How has the company collected, tracked, analyzed, and used information from its reporting mechanisms? Does the company periodically analyze the reports or investigation findings for patterns of misconduct or other red flags for compliance weaknesses? Does the company periodically test the effectiveness of the hotline, for example by tracking a report from start to finish?

E. Third Party Management

A well-designed compliance program should apply risk-based due diligence to its third-party relationships. Although the need for, and degree of, appropriate due diligence may vary based on the size

and nature of the company ~~or,~~ transaction, and third party, prosecutors should assess the extent to which the company has an understanding of the qualifications and associations of third-party partners, including the agents, consultants, and distributors that are commonly used to conceal misconduct, such as the payment of bribes to foreign officials in international business transactions.

Prosecutors should also assess whether the company knows ~~its~~the business rationale for needing the third party in the transaction, and the risks posed by third-party partners, including the third-party partners' reputations and relationships, if any, with foreign officials~~, and the business rationale for needing the third party in the transaction~~. For example, a prosecutor should analyze whether the company has ensured that contract terms with third parties specifically describe the services to be performed, that the third party is actually performing the work, and that its compensation is commensurate with the work being provided in that industry and geographical region. Prosecutors should further assess whether the

company engaged in ongoing monitoring of the third-party relationships, be it through updated due diligence, training, audits, and/or annual compliance certifications by the third party.

In sum, a company's third-party ~~due diligence~~management practices are a factor that prosecutors should assess to determine whether a compliance program is in fact able to "detect the particular types of misconduct most likely to occur in a particular corporation's line of business." JM 9- 28.800.

- **Risk-Based and Integrated Processes** – How has the company's third-party management process corresponded to the nature and level of the enterprise risk identified by the company? How has this process been integrated into the relevant procurement and vendor management processes?

- **Appropriate Controls** – How does the company ensure there is an appropriate business rationale for the use of third parties? If third parties were involved in the underlying misconduct, what was the business rationale for using those third parties? What mechanisms exist to ensure that the contract terms specifically describe the services to be performed, that the payment terms are appropriate, that the described contractual work is performed, and that compensation is commensurate with the services rendered?

- **Management of Relationships** – How has the company considered and analyzed the compensation and incentive structures for third parties against compliance risks? How does the company monitor its third parties? Does the company have audit rights to analyze the books and accounts of third parties, and has the company exercised those rights in the past? How does the company train its third party relationship

managers about compliance risks and how to manage them? How does the company incentivize compliance and ethical behavior by third parties? Does the company engage in risk management of third parties throughout the lifespan of the relationship, or primarily during the onboarding process?

Real Actions and Consequences – Does the company track red flags that are identified from due diligence of third parties and how those red flags are addressed? Does the company keep track of third parties that do not pass the company's due diligence or that are terminated, and does the company take steps to ensure that those third parties are not hired or re-hired at a later date? If third parties were involved in the misconduct at issue in the investigation, were red flags identified from the due diligence or after hiring the third party, and how were they resolved? Has a similar third party been suspended, terminated, or audited as a result of compliance issues?

U.S. Department of Justice
Criminal Division

Evaluation of Corporate Compliance Programs

~~**(Updated April 2019)**~~

F. Mergers and Acquisitions (M&A)

A well-designed compliance program should include comprehensive due diligence of any acquisition targets~~. Pre-M&A due diligence~~, as well as a process for timely and orderly integration of the acquired entity into existing compliance program structures and internal controls. Pre-M&A due diligence, where possible, enables the acquiring company to evaluate more accurately each target's value and negotiate for the costs of any corruption or misconduct to be borne by the target. Flawed or incomplete pre- or post-acquisition due diligence and integration can allow misconduct to continue at the target company, causing resulting harm to a business's profitability and reputation and risking civil and criminal liability.

The extent to which a company subjects its acquisition targets to appropriate scrutiny is indicative of whether its compliance program is, as implemented, able to effectively enforce its internal controls and remediate misconduct at all levels of the organization.

- **Due Diligence Process** – Was the company able to complete pre-acquisition duediligence and, if not, why not? Was the misconduct or the risk of misconduct identified during due diligence? Who conducted the risk review for the acquired/merged entities and how was it done? What is the M&A due diligence process generally?

- **Integration in the M&A Process** – How has the compliance function been integrated into the merger, acquisition, and integration process?

- **Process Connecting Due Diligence to Implementation** – What has been thecompany's process for tracking and remediating misconduct or misconduct risks identified during the due diligence process? What has been the company's process for implementing compliance policies and procedures ~~at new~~, and conducting post- acquisition audits, at newly acquired entities?

II. Is the Corporation's Compliance Program ~~Being Implemented~~Adequately Resourced and Empowered to Function Effectively?

Even a well-designed compliance program may be unsuccessful in practice if implementation is lax, under-resourced, or otherwise ineffective. Prosecutors are instructed to probe specifically whether a compliance program is a "paper program" or one "implemented, reviewed, and revised, as appropriate, in an effective manner." JM 9-28.800. In addition, prosecutors should determine "whether the corporation has provided for a staff sufficient to audit, document, analyze, and utilize the results of the corporation's compliance efforts." JM 9-28.800. Prosecutors should also determine "whether the corporation's employees are adequately informed about the compliance program and are convinced of the corporation's-

commitment to it." JM 9-28.800; *see also* JM 9-47.120(2)(c) (criteria for an effective compliance program include "[t]he company's culture of compliance, including awareness among employees that any criminal conduct, including the conduct underlying the investigation, will not be tolerated").

A. Commitment by Senior and Middle Management

Beyond compliance structures, policies, and procedures, it is important for a company to create and foster a culture of ethics and compliance with the law~~.~~ at all levels of the company. The effectiveness of a compliance program requires a high-level commitment by company leadership to implement a culture of compliance from the middle and the top.

The company's top leaders – the board of directors and executives – set the tone for the rest of the company. Prosecutors should examine the extent to which senior management have clearly articulated the company's ethical standards, conveyed and disseminated them in clear and unambiguous terms, and demonstrated rigorous adherence by example. Prosecutors should also examine how middle management, in turn, have reinforced those standards and encouraged employees to abide by them. *See* U.S.S.G. § 8B2.1(b)(2)(A)-(C) (the company's "*governing authority* shall be knowledgeable about the content and operation of the compliance and ethics program and shall exercise reasonable oversight" of it; "[*h*]*igh-level personnel* … shall ensure that the organization has an effective compliance and ethics program" (emphasis added)).

- **Conduct at the Top** – How have senior leaders, through their words and actions, encouraged or discouraged compliance, including the type of misconduct involved in the investigation? What concrete actions have they taken to demonstrate leadership in the company's compliance and remediation efforts? How have they modelled proper behavior to subordinates? Have managers tolerated greater compliance risks in pursuit of new business or greater revenues? Have managers encouraged employees to act unethically to achieve a business objective, or impeded compliance personnel from effectively implementing their duties?

- **Shared Commitment** – What actions have senior leaders and middle-management stakeholders (*e.g.*, business and operational managers, finance, procurement, legal, human resources) taken to demonstrate their commitment to compliance or compliance personnel, including their remediation efforts? Have they persisted in that commitment in the face of competing interests or business objectives?

- **Oversight** – What compliance expertise has been available on the board of directors? Have the board of directors and/or external auditors held executive or private sessions with the compliance and control functions? What types of information have

- the board of directors and senior management examined in their exercise of oversight in the area in which the misconduct occurred?

B. Autonomy and Resources

Effective implementation also requires those charged with a compliance program's day- to-day oversight to act with adequate authority and stature. As a threshold matter, prosecutors should evaluate how the compliance program is structured. Additionally, prosecutors should address the sufficiency of the personnel and resources within the compliance function, in particular, whether those responsible for compliance have: (1) sufficient seniority within the organization; (2) sufficient resources, namely, staff to effectively undertake the requisite auditing, documentation, and analysis; and (3) sufficient autonomy from management, such as direct access to the board of directors or the board's audit committee. The sufficiency of each factor, however, will depend on the size, structure, and risk profile of the particular company. "A large organization generally shall devote more formal operations and greater resources . . . than shall a small organization." Commentary to U.S.S.G. § 8B2.1 note 2(C). By contrast, "a small organization may [rely on] less formality and fewer resources." *Id.* Regardless, if a compliance program is to be truly effective, compliance personnel must be empowered within the company.

Prosecutors should evaluate whether "internal audit functions [are] conducted at a level sufficient to ensure their independence and accuracy," as an indicator of whether compliance personnel are in fact empowered and positioned to "effectively detect and prevent misconduct." JM 9-28.800. Prosecutors should also evaluate "[t]he resources the company has dedicated to compliance," "[t]he quality and experience of the personnel involved in compliance, such that they can understand and identify the transactions and activities that pose a potential risk," and "[t]he authority and independence of the compliance function and the availability of compliance expertise to the board." JM 9-47.120(2)(c); *see also* JM 9-28.800 (instructing prosecutors to evaluate whether "the directors established an information and reporting system in the organization reasonably designed to provide management and directors with timely and accurate information sufficient to allow them to reach an informed decision regarding the organization's compliance with the law"); U.S.S.G. ~~§~~ § 8B2.1(b)(2)(C) (those with "day-to-day operational responsibility" shall have "adequate resources, appropriate authority and direct access to the governing authority or an appropriate subgroup of the governing authority").

~~responsibility" shall have "adequate resources, appropriate authority and direct access to the governing authority or an appropriate subgroup of the governing authority").~~

- **Structure** – Where within the company is the compliance function housed (e.g., within the legal department, under a business function, or as an independent function reporting to the CEO and/or board)? To whom does the compliance function report? Is the compliance function run by a designated chief compliance officer, or another executive within the company, and does that person have other roles within the company? Are compliance personnel dedicated to compliance responsibilities, or do~~-~~

they have other, non-compliance responsibilities within the company? Why has the company chosen the compliance structure it has in place? What are the reasons for the structural choices the company has made?

- **Seniority and Stature** – How does the compliance function compare with other strategic functions in the company in terms of stature, compensation levels, rank/title, reporting line, resources, and access to key decision-makers? What has been the turnover rate for compliance and relevant control function personnel? What role has compliance played in the company's strategic and operational decisions? How has the company responded to specific instances where compliance raised concerns? Have there been transactions or deals that were stopped, modified, or further scrutinized as a result of compliance concerns?

- **Experience and Qualifications** – Do compliance and control personnel have the appropriate experience and qualifications for their roles and responsibilities? Has the level of experience and qualifications in these roles changed over time? How does the company invest in further training and development of the compliance and other control personnel? Who reviews the performance of the compliance function and what is the review process?

- **Funding and Resources** – Has there been sufficient staffing for compliance personnel to effectively audit, document, analyze, and act on the results of the compliance efforts? Has the company allocated sufficient funds for the same? Have there been times when requests for resources by compliance and control functions have been denied, and if so, on what grounds?

- **Data Resources and Access** – Do compliance and control personnel have sufficient direct or indirect access to relevant sources of data to allow for timely and effective monitoring and/or testing of policies, controls, and transactions? Do any impediments exist that limit access to relevant sources of data and, if so, what is the company doing to address the impediments?

- **Autonomy** – Do the compliance and relevant control functions have direct reporting lines to anyone on the board of directors and/or audit committee? How often do they meet with directors? Are members of the senior management present for these meetings? How does the company ensure the independence of the compliance and control personnel?

- **Outsourced Compliance Functions** – Has the company outsourced all or parts of its compliance functions to an external firm or consultant? If so, why, and who is responsible for overseeing or liaising with the external firm or consultant? What level of access does the external firm or consultant have to company information? How has the effectiveness of the outsourced process been assessed?

C. Incentives and Disciplinary Measures

Another hallmark of effective implementation of a compliance program is the establishment of incentives for compliance and disincentives for non-compliance. Prosecutors should assess whether the company has clear disciplinary procedures in place, enforces them consistently across the organization, and ensures that the procedures are commensurate with the violations. Prosecutors should also assess the extent to which the company's communications convey to its employees that unethical conduct will not be tolerated and will bring swift consequences, regardless of the position or title of the employee who engages in the conduct. *See* U.S.S.G. § 8B2.1(b)(5)(C) ("the organization's compliance program shall be promoted and enforced consistently throughout the organization through (A) appropriate incentives to perform in accordance with the compliance and ethics program; and (B) appropriate disciplinary measures for engaging in criminal conduct and for failing to take reasonable steps to prevent or detect criminal conduct").

By way of example, some companies have found that publicizing disciplinary actions internally, where appropriate and possible, can have valuable deterrent effects. At the same time, some companies have also found that providing positive incentives – personnel promotions, rewards, and bonuses for improving and developing a compliance program or demonstrating ethical leadership – have driven compliance. Some companies have even made compliance a significant metric for management bonuses and/or have made working on compliance a means of career advancement.

- **Human Resources Process** – Who participates in making disciplinary decisions, including for the type of misconduct at issue? Is the same process followed for each instance of misconduct, and if not, why? Are the actual reasons for discipline communicated to employees? If not, why not? Are there legal or investigation-related reasons for restricting information, or have pre-textual reasons been provided to protect the company from whistleblowing or outside scrutiny?

- **Consistent Application** – Have disciplinary actions and incentives been fairly and consistently applied across the organization? Does the compliance function monitor its investigations and resulting discipline to ensure consistency? Are there similar instances of misconduct that were treated disparately, and if so, why?

- **Incentive System** – Has the company considered the implications of its incentives and rewards on compliance? How does the company incentivize compliance and ethical behavior? Have there been specific examples of actions taken (*e.g.*, promotions or awards denied) as a result of compliance and ethics considerations? Who determines the compensation, including bonuses, as well as discipline and promotion of compliance personnel?

III. Does the Corporation's Compliance Program Work in Practice?

The Principles of Federal Prosecution of Business Organizations require prosecutors to assess "the adequacy and effectiveness of the corporation's compliance program at the time of the offense, as well as at the time of a charging decision." JM 9-28.300. Due to the backward-looking nature of the first inquiry, one of the most difficult questions prosecutors must answer in evaluating a compliance program following misconduct is whether the program was working effectively at the time of the offense, especially where the misconduct was not immediately detected.

In answering this question, it is important to note that the existence of misconduct does not, by itself, mean that a compliance program did not work or was ineffective at the time of the offense. *See* U.S.S.G. § 8B2.1(a) ("[t]he failure to prevent or detect the instant offense does not mean that the program is not generally effective in preventing and deterring misconduct"). Indeed, "[t]he Department recognizes that no compliance program can ever prevent all criminal activity by a corporation's employees." JM 9-28.800. Of course, if a compliance program did effectively identify misconduct, including allowing for timely remediation and self-reporting, a prosecutor should view the occurrence as a strong indicator that the compliance program was working effectively.

In assessing whether a company's compliance program was effective at the time of the misconduct, prosecutors should consider whether and how the misconduct was detected, what investigation resources were in place to investigate suspected misconduct, and the nature and thoroughness of the company's remedial efforts.

To determine whether a company's compliance program is working effectively at the time of a charging decision or resolution, prosecutors should consider whether the program evolved over time to address existing and changing compliance risks. Prosecutors should also consider whether the company undertook an adequate and honest root cause analysis to understand both what contributed to the misconduct and the degree of remediation needed to prevent similar events in the future.

For example, prosecutors should consider, among other factors, "whether the corporation has made significant investments in, and improvements to, its corporate compliance

program and internal controls systems" and "whether remedial improvements to the compliance program and internal controls have been tested to demonstrate that they would prevent or detect similar misconduct in the future." Benczkowski Memo at 2 (observing that "[w]here a corporation's compliance program and controls are demonstrated to be effective and appropriately resourced at the time of resolution, a monitor will not likely be necessary").

A. Continuous Improvement, Periodic Testing, and Review

One hallmark of an effective compliance program is its capacity to improve and evolve. The actual implementation of controls in practice will necessarily reveal areas of risk and potential adjustment. A company's business changes over time, as do the environments in which it operates, the nature of its customers, the laws that govern its actions, and the applicable industry standards. Accordingly, prosecutors should consider whether the company has engaged in meaningful efforts to review its compliance program and ensure that it is not stale. Some companies survey employees to gauge the compliance culture and evaluate the strength of controls, and/or conduct periodic audits to ensure that controls are functioning well, though the nature and frequency of evaluations may depend on the company's size and complexity.

Prosecutors may reward efforts to promote improvement and sustainability. In evaluating whether a particular compliance program works in practice, prosecutors should consider "revisions to corporate compliance programs in light of lessons learned." JM 9-28.800; *see also* JM 9-47-120(2)(c) (looking to "[t]he auditing of the compliance program to assure its effectiveness"). Prosecutors should likewise look to whether a company has taken "reasonable steps" to "ensure that the organization's compliance and ethics program is followed, including monitoring and auditing to detect criminal conduct," and "evaluate periodically the effectiveness of the organization's" program. U.S.S.G. § 8B2.1(b)(5). Proactive efforts like these may not only be rewarded in connection with the form of any resolution or prosecution (such as through remediation credit or a lower applicable fine range under the Sentencing Guidelines), but more importantly, may avert problems down the line.

- **Internal Audit** – What is the process for determining where and how frequently internal audit will undertake an audit, and what is the rationale behind that process? How are audits carried out? What types of audits would have identified issues relevant to the misconduct? Did those audits occur and what were the findings? What types of relevant audit findings and remediation progress have been reported to management and the board on a regular basis? How have management and the board followed up? How often does internal audit conduct assessments in high-risk areas?

- **Control Testing** – Has the company reviewed and audited its compliance program in the area relating to the misconduct? More generally, what testing of controls, collection and analysis of compliance data, and interviews of employees and third-parties does the company undertake? How are the results reported and action items tracked?

- **Evolving Updates** – How often has the company updated its risk assessments and reviewed its compliance policies, procedures, and practices? Has the company undertaken a gap analysis to determine if particular areas of risk are not sufficiently addressed in its policies, controls, or training? What steps has the company taken to determine whether policies/procedures/practices make sense for particular business segments/subsidiaries? Does the company review and adapt its compliance program based upon lessons learned from its own misconduct and/or that of other companies facing similar risks?

- **Culture of Compliance** – How often and how does the company measure its culture of compliance? Does the company seek input from all levels of employees to determine whether they perceive senior and middle management's commitment to compliance? What steps has the company taken in response to its measurement of the compliance culture?

B. Investigation of Misconduct

Another hallmark of a compliance program that is working effectively is the existence of a well-functioning and appropriately funded mechanism for the timely and thorough investigations of any allegations or suspicions of misconduct by the company, its employees, or agents. An effective investigations structure will also have an established means of documenting the company's response, including any disciplinary or remediation measures taken.

- **Properly Scoped Investigation by Qualified Personnel** – How has the company ensured that the investigations have been properly scoped, and were independent, objective, appropriately conducted, and properly documented?

- **Response to Investigations** – Have the company's investigations been used to identify root causes, system vulnerabilities, and accountability lapses, including among supervisory ~~manager~~managers and senior executives? What has been the process for responding to investigative findings? How high up in the company do investigative findings go?

C. Analysis and Remediation of Any Underlying Misconduct

Finally, a hallmark of a compliance program that is working effectively in practice is the extent to which a company is able to conduct a thoughtful root cause analysis of misconduct and timely and appropriately remediate to address the root causes.

Prosecutors evaluating the effectiveness of a compliance program are instructed to reflect back on "the extent and pervasiveness of the criminal misconduct; the number and level of the corporate employees involved; the seriousness, duration, and frequency of the misconduct; and any remedial actions taken by the corporation, including, for example, disciplinary action against past violators uncovered by the prior compliance program, and revisions to corporate compliance programs in light of lessons learned." JM 9-28.800; *see also* JM 9-47.120(3)(c) ("to receive full credit for timely and appropriate remediation" under the FCPA Corporate Enforcement Policy, a company should demonstrate "a root cause analysis" and, where appropriate, "remediation to address the root causes").

Prosecutors should consider "any remedial actions taken by the corporation, including, for example, disciplinary action against past violators uncovered by the prior compliance program." JM 98-28.800; *see also* JM 9-47-120(2)(c) (looking to "[a]ppropriate discipline of employees, including those identified by the company as responsible for the misconduct, either through direct participation or failure in oversight, as well as those with supervisory authority over the area in which the criminal conduct occurred" and "any additional steps that demonstrate recognition of the seriousness of the misconduct, acceptance of responsibility for it, and the implementation of measures to reduce the risk of repetition of such misconduct, including measures to identify future risk").

- **Root Cause Analysis** – What is the company's root cause analysis of the misconduct at issue? Were any systemic issues identified? Who in the company was involved in making the analysis?

- **Prior Weaknesses** – What controls failed? If policies or procedures should have prohibited the misconduct, were they effectively implemented, and have functions that had ownership of these policies and procedures been held accountable?

- **Payment Systems** – How was the misconduct in question funded (*e.g.*, purchase orders, employee reimbursements, discounts, petty cash)? What processes could have prevented or detected improper access to these funds? Have those processes been improved?

- **Vendor Management** – If vendors were involved in the misconduct, what was the process for vendor selection and did the vendor undergo that process?

- **Prior Indications** – Were there prior opportunities to detect the misconduct in question, such as audit reports identifying relevant control failures or allegations, complaints, or investigations? What is the company's analysis of why such opportunities were missed?

- **Remediation** – What specific changes has the company made to reduce the risk that the same or similar issues will not occur in the future? What specific remediation has addressed the issues identified in the root cause and missed opportunity analysis?

- **Accountability** – What disciplinary actions did the company take in response to the misconduct and were they timely? Were managers held accountable for misconduct that occurred under their supervision? Did the company consider disciplinary actions for failures in supervision? What is the company's record (*e.g.*, number and types of disciplinary actions) on employee discipline relating to the types of conduct at issue? Has the company ever terminated or otherwise disciplined anyone (reduced or eliminated bonuses, issued a warning letter, etc.) for the type of misconduct at issue?

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[1] Many of the topics also appear in the following resources:

- Justice Manual ("JM")
  - ~~JM 9-28.000 Principles of Federal Prosecution of Business Organizations, Justice Manual ("JM"), *available at* https://www.justice.gov/jm/jm-9-28000-principles-federal-prosecution-business-organizations.~~
  - JM 9-28.000 Principles of Federal Prosecution of Business Organizations, Justice Manual ("JM"), *available at* https://www.justice.gov/jm/jm-9-28000-principles-federal-prosecution-business-organizations.
  - JM 9-47.120 FCPA Corporate Enforcement Policy, *available at* ~~https://www.justice.gov/jm/jm-9-47000-foreign-corrupt-practices-act-1977#9-~~

~~47.120.~~ https://www.justice.gov/jm/jm-9-47000-foreign-corrupt-practices-act-1977#9- 47.120.

- Chapter 8 – Sentencing of Organizations - ~~United States Sentencing Guidelines~~United States Sentencing Guidelines ("U.S.S.G."), *available at* ~~https://www.ussc.gov/guidelines/2018-guidelines- manual/2018-chapter-8#NaN.~~ https://www.ussc.gov/guidelines/2018-guidelines- manual/2018-chapter-8#NaN.

- Memorandum entitled "Selection of Monitors in Criminal Division Matters," issued by Assistant Attorney General Brian Benczkowski on October 11, 2018, *available at* ~~https://www.justice.gov/criminal-fraud/file/1100366/download.~~ https://www.justice.gov/criminal-fraud/file/1100366/download.

- ~~Criminal Division corporate resolution agreements, *available at* https://www.justice.gov/news (DOJ's~~Criminal Division corporate resolution agreements, *available at* https://www.justice.gov/news (the Department of Justice's ("DOJ") Public Affairs website contains press releases for all Criminal Division corporate resolutions which contain links to charging documents and agreements).

- ~~A Resource Guide to the U.S. Foreign Corrupt Practices Act (~~"A Resource Guide to the U.S. Foreign Corrupt Practices Act ("FCPA Guide~~")~~"), published in November 2012 by the ~~Department of Justice (~~DOJ~~)~~ and the Securities and Exchange Commission ~~(~~("SEC~~)~~"), *available ~~at~~* ~~https://www.justice.gov/sites/default/files/criminal-fraud/legacy/2015/01/16/guide.pdf.~~ https://www.justice.gov/sites/default/files/criminal-fraud/legacy/2015/01/16/guide.pdf.

- ~~Good Practice Guidance on Internal Controls, Ethics, and Compliance~~Good Practice Guidance on Internal Controls, Ethics, and Compliance, adopted by the Organization for Economic Co-operation and Development ("OECD") Council on February 18, 2010 ~~*available at* https://www.oecd.org/daf/anti-bribery/44884389.pdf.~~, *available at* https://www.oecd.org/daf/anti-bribery/44884389.pdf.

- ~~Anti-Corruption Ethics and Compliance Handbook for Business~~Anti-Corruption Ethics and Compliance Handbook for Business ("OECD Handbook~~")~~"), published in 2013 by OECD, United Nations Office on Drugs and Crime, and the World Bank, *available at* ~~https://www.oecd.org/corruption/Anti-CorruptionEthicsComplianceHandbook.pdf.~~https://www.oecd.org/corruption/Anti-CorruptionEthicsComplianceHandbook.pdf.

- [2]Evaluation of Corporate Compliance Programs in Criminal Antitrust Investigations, published in July 2019 by DOJ's Antitrust Division, *available at* https://www.justice.gov/atr/page/file/1182001/download.

- A Framework for OFAC Compliance Commitments, published in May 2019 by the Department of the Treasury's Office of Foreign Assets Control ("OFAC"), *available at*

financial institutions such as banks, subject to the Bank Secrecy Act statute and regulations,

https://www.treasury.gov/resource-center/sanctions/Documents/framework_ofac_cc.pdf.

[2] Prosecutors should consider whether certain aspects of a compliance program may be impacted by foreign law. Where a company asserts that it has structured its compliance program in a particular way or has made a compliance decision based on requirements of foreign law, prosecutors should ask the company the basis for the company's conclusion about foreign law, and how the company has addressed the issue to maintain the integrity and effectiveness of its compliance program while still abiding by foreign law.

[3] As discussed in the Justice Manual, many companies operate in complex regulatory environments outside the normal experience of criminal prosecutors. JM 9-28.000. ~~For example, financial institutions such as banks, subject to the Bank Secrecy Act statute and regulations,~~ For example,

financial institutions such as banks, subject to the Bank Secrecy Act statute and regulations,

require prosecutors to conduct specialized analyses of their compliance programs in the context of their anti-money laundering requirements. Consultation with the Money Laundering and Asset Recovery Section is recommended when reviewing AML compliance. ~~*See* https://www.justice.gov/criminal-mlars.~~*See* https://www.justice.gov/criminal-mlars. Prosecutors may also wish to review guidance published by relevant federal and state agencies. *See* Federal Financial Institutions Examination Council/Bank Secrecy Act/Anti-Money Laundering Examination Manual, *available at* ~~https://www.ffiec.gov/bsa_aml_infobase/pages_manual/manual_online.htm).~~https://www.ffiec.gov/bsa_aml_infobase/pages_manual/manual_online.htm).

Policy Title: Corporate Compliance Program	North Central Health Care Person centered. Outcome focused.
Policy #: 200-2145	**Program:** Quality and Compliance 200
Date Issued: 06/25/2020	**Policy Contact:** Quality and Clinical Transformation Director

Related Forms: N/A

1. Purpose

North Central Health Care (NCHC) strives to have all employees carry out their duties in an ethical and legal manner. In furtherance of this goal, the North Central Community Services Program (NCCSP) Board has established a Corporate Compliance Program which shall apply to all programs and services that are operated by or under the auspices of NCHC and all staff working at NCHC, including students, residents, interns and contracted staff. The standards of this policy are to be complied with by staff at all times.

2. Definitions: N/A

3. Policy

The Compliance Program focuses on achieving compliance with all laws, rules and regulations governing the activities of NCHC, included but not limited to: billing practices, patient privacy, applicable documentation and coding, self -referral, anti-kickback, false claims acts, fraud and abuse prohibitions, medical necessity, ethical practice, and other rules, regulations, and standards that are applicable to NCHC operations and services. The Compliance Program will seek first to prevent misconduct, but is also designed for early detection of violations that will be addressed in a forthright and remedial fashion. The Compliance Program will contain these elements and other elements adopted by NCHC to identify and proactively address potential areas of compliance risk. The following basic elements are generally considered to constitute the basic core elements of NCHC's ability to have an effective compliance program. Each of the general areas identified may be covered more completely in one or more detailed policies and/or procedures.

- Standards of conduct and written policies and procedures for employees, contractors and Medical Staff will be established. A Code of Conduct shall be maintained in writing and be widely distributed to all individuals who are required to comply with the Compliance Program and/or permitted to report compliance concerns.

- A Corporate Compliance Officer (CO) will be appointed and a Corporate Compliance Committee shall be maintained and is charged with management of the Compliance Program. The Corporate Compliance Officer assumes responsibility for daily operation of the Compliance Program with oversight and operational assistance provided by the Corporate Compliance Committee.

- The CO, with assistance from the Corporate Compliance Committee, will develop and maintain an ongoing process to identify and rank the severity of potential compliance risks. Issues will be addressed and resources will be allocated to compliance issues based upon systematic risk assessment and prioritization.

- The CO will recommend and the NCCSP Board will assure that an appropriate budget for compliance will be allocated in amounts sufficient to appropriately address compliance issues based on the risk identification, assessment, and prioritization identified in an annual work plan.

- The CO will develop and ensure a regular, effective education and training programs for all levels of staff, board members, management, medical staff, contractors, and all other agents. Training will include new hire training, periodic refresher training, risk area specific training, and other special training. The CO will use information obtained from the risk identification, assessment, and prioritization process to identify risk specific areas where staff may be in need of training.

- The CO will oversee an effective auditing and monitoring system to evaluate compliance with applicable laws, policies, and areas of prioritized risk. The process of monitoring and auditing shall be designed by the CO and approved by the Corporate Compliance Committee. Monitoring and auditing activities shall be carried out in a professional manner and the CO shall strive to conduct such duties in a manner that is not more intrusive than necessary to determine compliance.

- The CO will maintain and communicate an effective and well-publicized protocol for reporting compliance concerns without fear of retaliation.

- The Corporate Compliance Committee will provide a structure to define the response to all incidents of potential non-compliance that are detected through audit, monitoring, and/or reported by any individual. A corrective action plan will be implemented for each incident which is substantiated after the investigation.

- The Corporate Compliance Committee will develop and maintain a disciplinary standard to be equitably applied to conduct that violates the Code of Conduct, compliance policies and procedures and/or applicable laws, rules, and regulations.

- The Compliance Program will be subject to periodic evaluation by an independent consulting firm to assure the validity and efficacy of the Compliance Program.

- The organization will maintain a process to assure that it does not employ or contract with any individual or entity who has been excluded from participation in Medicare, Medicaid, or any other governmental program, who is included on the excluded party list maintained by the Office of Inspector General, the System of Awards Management (SAMs) list of excluded parties or any other state or federal program exclusion list.

4. General Procedure: N/A

5. References

5.1. Other: Federal Sentencing Guidelines, U.S. Department of Justice Criminal Division Evaluation of Compliance Programs (Updated June 2020), Office of Inspector General (OIG) Effective Compliance Programs

Related Policies, Procedures and Documents: N/A

2020 NCCSP BOARD CALENDAR

CHANGED DATE/TIME - Thursday July 30, 2020 – 3:00 PM – 5:00 PM

Educational Presentation: Review Employee Compensation, Recruitment and Retention Strategies – Review current practices and performance around the human capital management of the organization.

Board Action:

Approve 2021 Performance Expectations and Outcomes for Community Programs

Report of recent investigations related to corporate compliance activities and significant events.

Board Policy to Review: Employee Compensation Manual

Board Policy Discussion Generative Topic: Digital Transformation Imperatives

Thursday August 27, 2020 – 3:00 PM – 5:00 PM

Educational Presentation: TBD

Board Action: TBD

Board Policy to Review: TBD

Board Policy Discussion Generative Topic: TBD

Thursday September 24, 2020 - 3:00 PM – 5:00 PM

Educational Presentation: Annual Report from the Medical Staff

Board Action: Annual Board self-evaluation of governance, Board calendar for upcoming year, and review of Bylaws. Report of recent investigations related to corporate compliance activities and significant events.

Budget Presentation

Board Policy to Review: Policy Governance Manual, Budget Policy

Board Policy Discussion Generative Topic: Focus on the board's performance and areas for improvement.

North Central Health Care
Person centered. Outcome focused.

Board Experience Transformer

If you could do this experience over – knowing what you know now – what would you do differently?

Are you leaving the meeting confident in the overall performance of our organization? If not, please elaborate on the concerns you would like to have addressed in the future.

Did the materials included in the Board's pre-meeting packet adequately allow you to prepare for today's meeting?

Did you feel you had amble opportunity for input?

Did all members participate in an active way? If not, why do you think that happened?

Did we focus on the right issues, giving the most important issues of strategy and policy adequate time?

Missed thoughts you didn't have the chance to state or questions you have?

Name (optional): _____