

**Board of Directors
Champaign County Nursing Home
Urbana, Illinois
February 13, 2012**

Directors Present: O'Shaughnessey, Hambrick, Anderson, Czajkowski, Hambrick, Palinkas

Directors Absent/Excused: Emanuel

Also Present: Busey, Scavotto, Schuette

1. Call to Order

The meeting was called to order at 6:00 pm by Chair O'Shaughnessey

2. Roll Call

Busey called the roll of Directors. A quorum was established.

3. Agenda & Addendum

The agenda was approved (motion Palinkas, second Anderson, unanimous).

4. Approval of Minutes

The open session minutes of January 9, 2012 were approved as submitted (motion Palinkas, second Anderson, unanimous). The closed session minutes were approved as submitted (motion Anderson, second Palinkas, unanimous).

5. Public Participation

There was no public participation.

6. Old Business

There was no old business.

7. New Business

a. IDPH Report

Schuette reported on the recent IDPH surveys:

1. **Annual Licensing Survey:** IDPH issued 14 citations. CCNH's Plan of Correction was submitted on December 31, 2011 and accepted on January 2, 2012. Among

the IDPH findings, investigation reports should be more thorough. The abuse policy needed improvement, specifically in that abuse allegations must be reported directly to the administrator. Changes to the policy have been made and accepted; in-house training has been completed. Documentation for antibiotic administration needed strengthening as did security over Schedule 2 drugs. Activities had an issue with functions being sensitive to resident needs and functional status; Dietary had citations regarding cleaning of steam tables and portion control. All citations have been remedied and CCNH awaits reinspection.

2. **Life Safety Survey:** The LSS was completed on February 9 and 13 citations were issued. Several sprinkler heads will need to be extended and one must be added in a telephone closet. Most of the citations can be fixed quickly; management will get the sprinkler problems fixed as quickly as possible to avoid leaving the LSS window open past April 1. (The Annual Licensing Survey closure date is April 13.)

Schuette reviewed the customer satisfaction scores and the lack of progress in the areas of Communication and Response to Problems. More management development will be Undertaken with the goal of establishing trust at all levels of the CCNH workforce. There was extended discussion on this point and it was clear that making further progress in improving customer service and clinical quality would be dependent upon establishing a different culture at CCNH.

b. Management Report: Operations and Financial Position

Scavotto reviewed the essential dimensions of the Deficit Reduction Act, under which CCNH is now operating. CCNH will be making more rigorous asset checks prior to direct Medicaid admissions. The anticipated complications from DRA will come from Pvt Pay residents who spend-down to Medicaid status or who are admitted as Medicare and then convert to Medicaid. There were 62 cases last year of such spend-down status. CCNH will be making stronger collection efforts but the realistic expectation is for higher bad debts.

Corporate compliance is now mandated in skilled nursing facilities with March 2013 as the date for having a compliance program in place. MPA is working on a shared approach to compliance that provides a cost-effective way of implementing compliance programs. The regulatory environment has become much more complex and is expected to worsen. It is not at all clear that a single institution can keep up with the myriad number of regulations and related compliance activities. MPA's program concentrates HIPAA, HiTech, resident privacy issues, Medicare billing integrity, and care planning. More on this program will be presented in future months.

December operations were profitable with a gain of \$25k. January revenues are expected to be \$1.266 million, which bodes well for January's results.

Census for January 2012 was 197.6. The mix for the last two months has been excellent

with Pvt Pay coming in very strong. Medicare volume still needs improvement:

	Dec 11	Jan 12
Medicare A	53%	53.1%
Pvt Pay	38%	37.8%
Medicaid	9%	9.2%

Medicare Advantage plans are exerting new pressures to reduce length of stay. CCNH has no difficulties with that objective. There are issues with establishing proper measures of performance that correctly reflect the responsibilities of each party.

CCNH's cash position is better, albeit temporary. Medicaid payments delays are expected to resume in August or September, and the delays may be considerably longer than this year's 120 days. Fortunately, CCNH has been able to secure working capital from a local bank and continues to discuss such financing with others. The immediate goal is to secure written commitments from lenders to support CCNH by purchasing Champaign County RANs.

8. Other Business

County Board Member Ron Bensyl will replace Alan Nudo as a CCNH Director. Mr. Bensyl will be appointed at the next meeting of the County Board and will serve through November 2012.

9. Next Meeting Date

Monday March 12, 2012, 6 pm.

10. Adjournment

Chair O'Shaughnessy declared meeting adjourned at 6:50 pm.

Respectfully submitted

Michael A. Scavotto
Recording Secretary