

NURSING HOME BOARD OF DIRECTORS AGENDA

County of Champaign, Urbana, Illinois
Monday, August 13, 2012 – 6:00pm

In Service Classroom, Champaign County Nursing Home
500 S. Art Bartell Road, Urbana

CHAIR: Mary Ellen O'Shaughnessey
DIRECTORS: Jan Anderson, Peter Czajkowski, Lashunda Hambrick, Robert Palinkas,
Catherine Emanuel, Ron Bensyl

ITEM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF AGENDA/ADDENDUM

IV. APPROVAL OF MINUTES

July 9, 2012 – Open Session

V. PUBLIC PARTICIPATION

VI. OLD BUSINESS

None

VII. NEW BUSINESS

Management report
Operations (Management Report)
Cash Position
2013 State Medicaid Budget
3013 Budget – Action Required
Respiratory Therapy
Renal Dialysis

VIII. OTHER BUSINESS

None

IX. NEXT MEETING DATE & TIME

September 10, 2012

X. ADJOURNMENT

Attachments: Management Report, Management Update

**Board of Directors
Champaign County Nursing Home
Urbana, Illinois
July 9, 2012**

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

Directors Absent/Excused: None

Also Present: Busey, Gima

1. Call to Order

The meeting was called to order at 6:05 pm by Chair O'Shaughnessey

2. Roll Call

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

3. Agenda & Addendum

Request by O'Shaughnessey to move County Board Referenda – Action Required to the first item of New Business was approved (motion by Hambrick, second by Palinkas, unanimous).

4. Approval of Minutes

The open session and closed session minutes of June 11, 2012 were approved as submitted (motion by Czajkowski, second by Anderson, unanimous).

5. Public Participation

All of the following individuals spoke regarding the proposal to place two nursing home referenda on the November election ballot: Patti Petrie, Tara McCauley, C. Pius Weibel, Belden Fields, Rachel Schwartz, Marilyn Lindholm.

6. Old Business

There was no old business.

7. New Business

a. County Board Referenda

The Nursing Home Board of Directors discussed the two nursing home ballot questions proposed by a group of Champaign County Board Members. The Nursing Home Board of Directors approved a response to the ballot proposals (motion by Emanuel, second by Anderson, passed with one dissenting vote by Bensyl). The response by the Nursing Home Board of Directors is as follows:

“As a Board, we cannot justify the need for such a tax levy increase. The Nursing Home has operated now for four years without the need for loans from the County’s General Corporate Fund, and at or near a balanced position. While we recognize that we have severe challenges with regard to cash flow, we cannot support asking for an additional \$2.3 million in property taxes from the citizens of Champaign County for the operation of the Home.”

“As a Board, we cannot support an action that would jeopardize the current operations of the Champaign County Nursing Home. We believe placing this question on the ballot will generate a public perception of uncertainty regarding the future of the Champaign County Nursing Home, which in turn will severely impede our ability to recruit and retain an appropriate census to ensure the ongoing viability of the Nursing Home’s financial operation. We further believe that, even if the voters approved this question, it is highly unlikely that there are private businesses who would be interested in procuring the Nursing Home and maintaining the current mission of serving the Medicaid population currently served by the Champaign County Nursing Home.”

“We want the County Board to know that we share in your concerns regarding the current uncertainty of the long-term financial future of the Nursing Home, and the potential risk and liability the County Board faces as a result of this uncertainty. We understand this risk has led County Board members to consider going to the voters with these questions. However, for the reasons stated above, we request the County Board consider instead that we work together to continue in the development of a strategic plan and appropriate programming of services to address the financial challenges of operating a county-owned nursing home in today’s environment.”

The Nursing Home Board of Directors discussed the ongoing efforts to secure bank/other lending institution participation in the issuance of Revenue Anticipation Notes to provide access to cash in response to further Medicaid payment delays. The Nursing Home Board of Directors approved a recommendation to the Champaign County Board (motion by Czajkowski, second by Hambrick, passed with one dissenting vote by Bensyl). The recommendation by the Nursing Home Board of Directors is:

“We recommend the County Board’s approval to list the County’s General Corporate Fund to back the repayment of the Revenue Anticipation Notes, if in fact payments from the State are not received in appropriate time to maintain the repayment schedule. We fully anticipate that the State will make all of its Medicaid reimbursement payments – primarily because there are federal

requirements on the State to do so. If the County can back the RAN on behalf of the Nursing Home, there is a likelihood that more banks will be willing to participate, which should improve the competitive process and resulting interest rates that will be paid by the Nursing Home for these notes. The issuance of the RANs will enable the Nursing Home to continue paying its vendors, even if there are delays in the reimbursements from the State over the next year.”

b. Renal Dialysis RFP

Gima reviewed the In-House Renal Dialysis Program Summary and Request for Proposal. The Nursing Home Board of Directors approved both documents to be presented to the County Board Finance Committee. (motion by Hambrick, second by Palinkas, unanimous)

c. Management Report: Operations and Financial Position

Gima reviewed the May statistics and income statement. May’s average daily census was 192.3, up slightly from 191.1 in April. The Medicare census fell from 14.8 in April to 12.2 in May. The payor mix was Medicare 6 percent, Medicaid 58 percent, and private pay 35 percent.

May’s income statement showed a net loss of \$(66)k. Revenues totaled \$1.174 million and was over budget by \$10k. Medicare revenue increased between April and May due to the higher Medicare per diem of \$481 in May compared to \$415 in April. May rehab statistics showed a higher percentage of intensive therapy services was provided in May. The increase in Medicare revenue was not enough to offset the loss of Medicare days and the net loss. The low census loss in May also was a contributing factor to the net loss. June’s census will be around 200, but Medicare continues to hover between 10 and 12.

b. Cash Position

CCNH’s cash at the end of May was \$962k, down by \$306k from \$1.268 million in April. Accounts receivable totaled \$4.185 million, a decrease of \$102k from \$4.287 million in April. Accounts payable decreased from \$2.267 million in April to \$2.030 million in May, a decrease of \$237k. The decrease in cash in May is due to a \$254k tax anticipation note payment.

c. Medicaid Payment Status\Medicaid Rate Cuts

The state has not provided any update on Medicaid payment delays. We are hearing unconfirmed reports that the Medicaid payment cycle may be three to four months, which is an improvement from the six month payment cycle (for non-expedited Medicaid providers) seen in FY 2012.

d. 2013 Budget

The budget will be reviewed at the August 13th Nursing Home Board of Directors meeting.

e. Corporate Compliance

The corporate compliance addendum to the MPA management contract was tabled at the June 12th Finance Committee meeting. The County Board wishes to wait on a decision pending the outcome of the Supreme Court ruling on the Affordable Care Act. The County board also requested a cost comparison.

8. Next Meeting Date

Monday August 13, 2012, 6 pm.

10. Adjournment

Chair O'Shaughnessey declared meeting adjourned at 8:35 pm.

Respectfully submitted

Scott T. Gima
Recording Secretary

To: Board of Directors
Champaign County Nursing Home

From: Scott Gima
Manager

Date: August 9, 2012

Re: Management Report

June's average daily census was 199.7, jumping from 192.3 in May. The overall census in July and so far in August has remained right around 200. Medicaid accounted for most of the increase, going from 112.4 in May to 116.4 in June. Medicare increased from 11.8 in May to 13.6 in June. Private pay was up slightly from 68.1 to 69.7.

The payor mix showed Medicare at 6.8 percent, Medicaid 58.3 percent and Private Pay at 34.9 percent. With increases in all three categories, the mix did not change significantly from May which had Medicare at 6.2 percent, Medicaid 58.4 percent and Private Pay at 34.9 percent.

The financial picture is slightly better in June. CCNH finished June with a net loss of \$(47)k, compared to a loss of \$(66)k in May.

June highlights include:

- Revenues totaled \$1.142 million and was under budget by \$21k. Private pay revenue totaled \$369k, under budget by \$19k. Medicare revenue was \$186k, under budget by \$106k and falling from \$203k in May. Medicaid revenue was \$517k, which was over budget by \$94k. Medicare Part B revenue fell from \$53k to \$46k between May and June. May's revenue was the highest monthly total so far this year. June's \$46k is above the 2012 monthly average of \$39k.

Medicare census was 13.6, up slightly from 11.8 in May. The Medicare per diem was \$456 in June, down from \$553 in May. May's per diem was unsustainable, but \$456 is a little over the \$451 YTD average.

- June expenses totaled \$1,276,000, down from \$1,326,000 in May. June expenses were under budget by \$6k.

The following are the highlights within non-labor expenses. Food costs totaled \$41k, the highest monthly total in 2012. Food costs per day shows an average of \$6.79, thihg highest cost per day so far this year.

- Labor expenses totaling just under \$585k were paid in June, up from \$576k in May. An attendance bonus totaling \$33,350 was paid out in late June covering December through

May.

Take a look at the figures in bold type-face as they represent significant changes from prior months. (Figures will not add to 100 percent.) The Medicare revenue percentage fell from 17.3 percent in May to 16.3 percent in June. The Medicaid percentage increased from 43.7 percent in May to 45.2 percent. Private pay was unchanged in June compared to May.

	Mar-12	As Pct of Pt Revenue	Apr-12	As Pct of Pt Revenue	May-12	As Pct of Pt Revenue	June-12	As Pct of Pt Revenue
Medicare A	\$264k	23.7%	\$182k	16.9%	\$203k	17.3%	\$186k	16.3%
Medicaid	\$490k	44%	\$523k	48.5%	\$512k	43.7%	\$517k	45.2%
Pvt Pay	\$293k	26.3%	\$308k	28.5%	\$379k	32.3%	\$369	32.3%

Misc Revenue and Property Taxes excluded from calculation

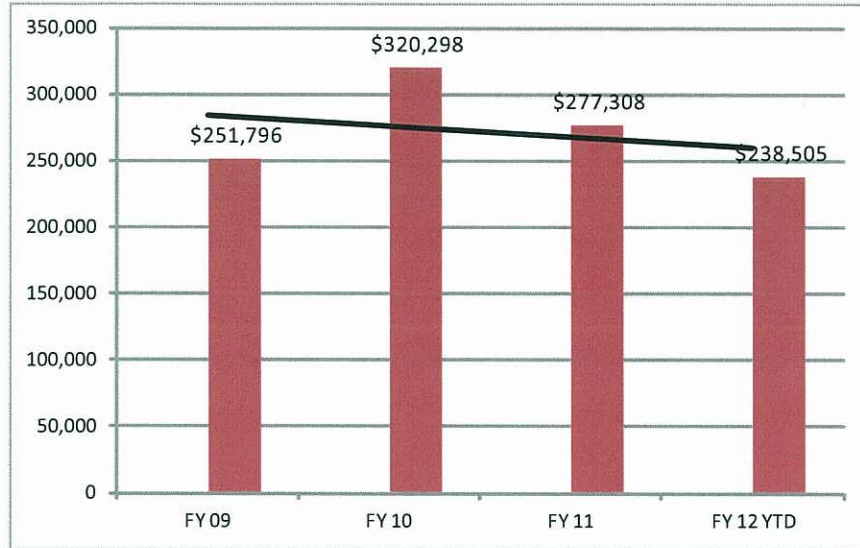
Expenses fell from May totaled \$1.326 million to \$1.276 million from \$1.262 million in April. Agency costs fell from \$58k in April, \$45k in May and slightly up at \$48k in June.

The average daily census in June was 199.7, up from was 192.3 in May. Historically, CCNH experience an ADC of 197 in 2010 and 193 in 2011. FY 2012 mirrors the spring census decline seen in 2011. However, overall census has rebounded in June and is above the June 2011 census.

	Dec 11	Jan 12	Feb 12	Mar 12	Apr 12	May 12	June 12
ADC	199.7	197.8	194.2	190.7	191.1	192.3	199.7
	Dec 10	Jan 11	Feb 11	Mar 11	Apr 11	May 11	June 11
ADC	195.0	198.8	200.1	189.1	185.7	185.0	190.6

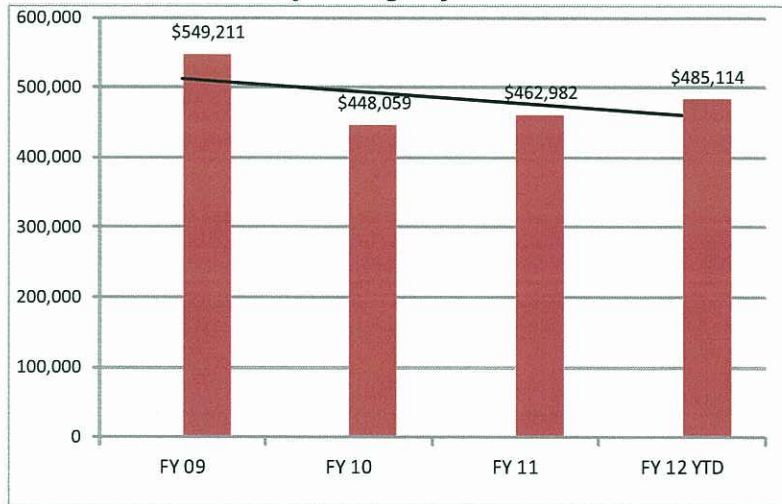
The chart below summarizes the average monthly Medicare revenue since FY2009. 2010 was the banner year, when the average was over \$320k per month with an average per diem of \$457. In 2011, the monthly revenue fell due to a drop in Medicare census despite a per diem of \$539 per day. 2012 numbers are down due to the combination of Medicare rate cuts that were implemented on October 1, 2011 and a census slow down. So far this year, the Medicare per diem is \$451 per day on a year-to-date basis.

**Medicare A Revenues
Monthly Average By Fiscal Year**



In Fiscal 2012, Medicaid revenues have been under \$500k through March 2012. With the implementation of the “fully funded” Medicaid rate in April, revenues are now consistently above the \$500k mark.

**Medicaid Revenues
Monthly Average By Fiscal Year**



Med B revenue totaled \$46k in June.

The comparative revenue payor mix summary below includes the old table and a new table that compares the payor mix by fiscal year. As has been previously stated, a return to a higher Medicaid percentage of revenue will add financial stress.. The old table provided the comparison of the decline significant change showing a significant decline in the Medicaid payor mix from 62% to 52% between 2008 and 2012.

**Medicaid Comparative Payer Mix
CCNH**

	Dec-07 thru June 08	Dec-08 thru Apr-12
Medicaid	62%	52.0%
Medicare	9%	10.2%
Pvt Pay	29%	37.8%
Totals	100%	100%

The new table below also demonstrates a lower Medicaid mix between 2008 and 2010. With the higher Medicaid rate, the Medicaid mix is now over 45% in 2012 but still well below 2008 levels. At this point in time, Medicaid is creeping up but nowhere near 2008 levels. With empty beds, filling them with Medicaid residents is not necessarily a bad thing with Medicaid at a 45 percent mix.

**Comparative Payor Mix
FY 2008, 2009, 2010, 2011 and YTD 2012**

Payor Mix	2008	2009	2010	2011	YTD 2012
Medicaid	57.6%	47.7%	40.0%	42.0%	45.1%
Medicare	18.3%	21.9%	28.6%	25.2%	21.5%
Private Pay	24.0%	30.4%	31.4%	32.8%	33.4%

**Last Five Months w/Property Tax and County
Overhead Allocated Monthly**

	Feb-12	Mar-12	Apr-12	May-12	Jun-12
Medicare A	\$245,984	\$263,665	\$182,112	\$203,112	\$185,770
Medicare B	\$29,922	\$45,762	\$40,831	\$53,402	\$45,732
Medicaid	\$432,112	\$490,350	\$523,162	\$512,337	\$516,762
Pvt Pay	\$347,185	\$293,488	\$307,746	\$379,109	\$368,537
Adult Day-Private	\$8,930	\$6,912	\$6,280	\$6,560	\$6,898
Adult Day-TXX	\$9,721	\$12,617	\$13,721	\$16,612	\$16,173
Miscellaneous	\$2,991	\$1,666	\$37,648	\$2,910	\$2,480
Property Tax	\$86,119	\$87,840	\$86,147	\$86,023	\$86,119
All Revenues	\$1,162,964	\$1,202,300	\$1,197,647	\$1,260,066	\$1,228,471
All Expenses	\$1,178,640	\$1,268,540	\$1,262,276	\$1,326,334	\$1,275,617
Net Income/(Loss)	\$(15,676)	\$(66,240)	\$(64,629)	\$(66,267)	\$(47,146)
Add Back Depr	60,774	60,762	60,762	60,762	60,638
Cash	45,098	(5,478)	(3,867)	(5,505)	13,492
Census	5,631	5,912	5,734	5,961	5,991
Change	(8.2)%	5.0%	(3.0)%	4%	0.5%
ADC	194.2	190.7	191.1	192.3	199.7
Change	(1.9)%	(1.8)%	0.2%	0.6%	3.8%
FTE	174	178	188	185	186

June's ending cash balance was \$906,000. Accounts Payable was \$2.08 million. Accounts receivable totaled \$3.7 million in May.

The following graphs provide a comparative statement of position for CCNH through June 2012.

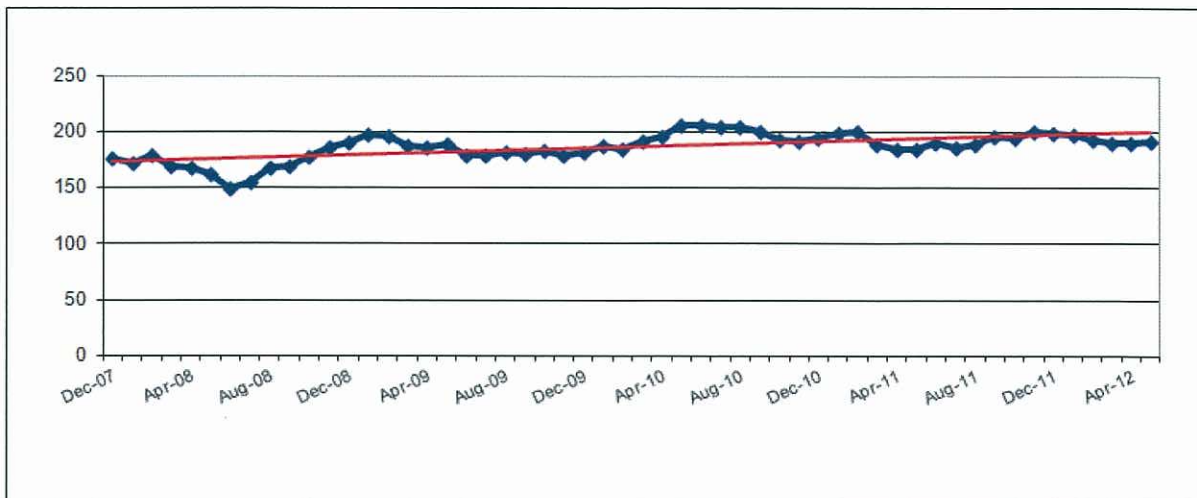
Census

Fiscal 2010 ended with an ADC of 196.5. The ADC in FY2011 was 193. Census has shown a strong rebound in May and June. July statistics will show that the overall census has been steady around 200.

Monthly ADC Since January 2010



ADC by Month



Revenues

In FY 2011, patient care revenue averaged \$1.176 million per month. Through June 2012, the FY 2012 monthly average is \$1.137 million, a drop of \$39k per month or 3.3 percent. The critical factor still is with Medicare revenues. In FY 2011, Medicare averaged \$277k per month. So far this year, the average is \$231k, a drop off of \$46k per month or 16.6 percent.

Revenue From Pt Services By Month

	All (avg)	Medicare (avg)
July 2010 thru Jan 2011	\$1,246,000	\$357,000
Feb 2011 thru June 2012	\$1,153,000	\$252,000
Change	\$(93,000)	\$(105,000)
Percent	(7.5)%	(29.4)%

The weakening of CCNH's Medicare A volume continues to be concern. The Medicare rate cuts (average of 12 percent) that went to effect in October 2011 are a large factor. Medicare census fluctuations add to the problem. When one compares CCNH's current performance against historical performance, the Medicare drop has been significant and it has had a telling impact on revenues. So, while revenue from patient services is down about 7.4 percent, Medicare A is down over 33 percent.

Medicare Average Census Days

Period	Days/month
Dec09-Mar 2010	592
Apr10-Nov 2010	756
Dec10-June 2012	502
Pct Chg(Nov 10 over June 12)	(33.6) pct

The table below summarizes the Medicare data by fiscal year. It clearly shows that 2010 was a good Medicare year. In 2012, Medicare volume is better than 2011, but the rate cuts had reduced the overall Medicare revenue.

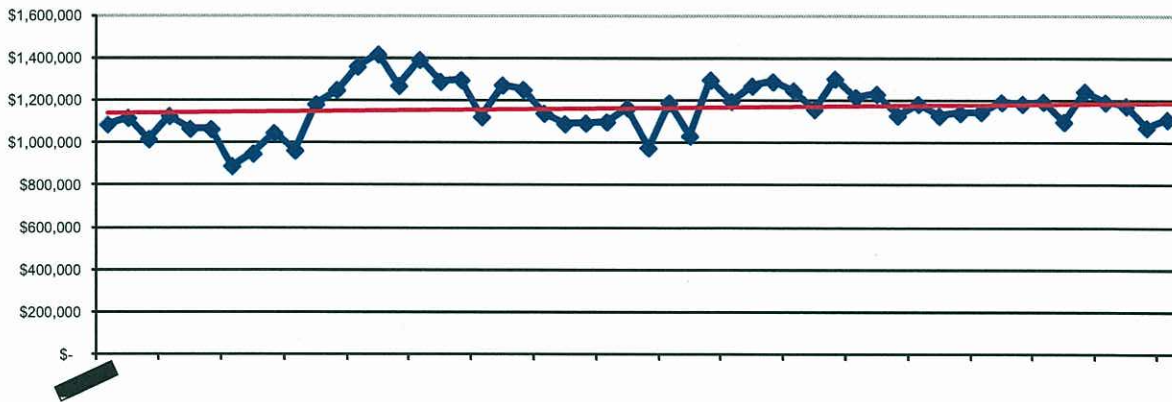
Medicare Revenue Per Month FY 2008, 2009, 2010, 2011 and YTD 2012

	2009	2010	2011	YTD 2012
Revenue Per Month	\$251,796	\$320,298	\$277,308	\$230,972
Days Per Month	595	701	515	512
Revenue Per Day	\$434	\$457	\$539	\$451

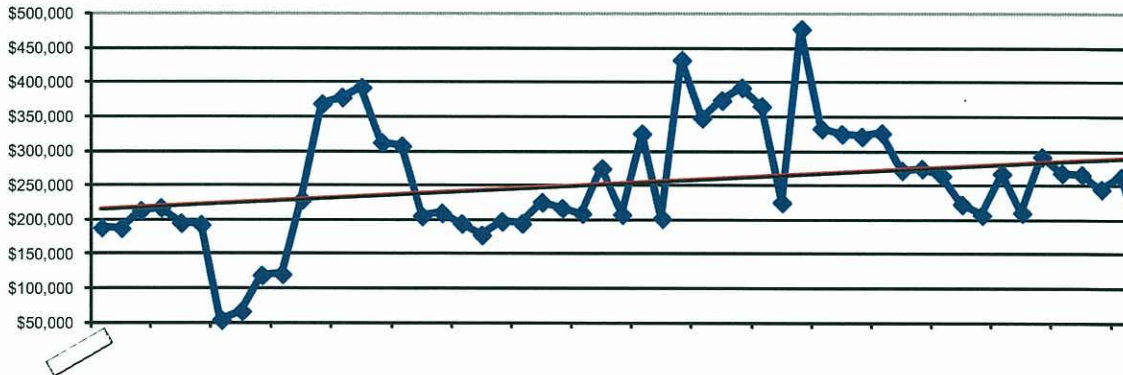
The Medicare per diem is a critical factor in building a better revenue base and we have significant improvements to make. A respiratory therapy program will provide opportunities to increase the per diem and increase Medicare length of stay.

For the most part, Medicaid revenues continue to be stable. Medicaid revenues decreased between Oct 2011 and Feb 2012 but have been showing an increase since March. These increases are distorted by retro conversion of 456 Medicaid days in March and 317 Medicaid days in April. As a result, a corresponding drop of private pay days was seen in March and April.

Revenue from Patient Services by Month

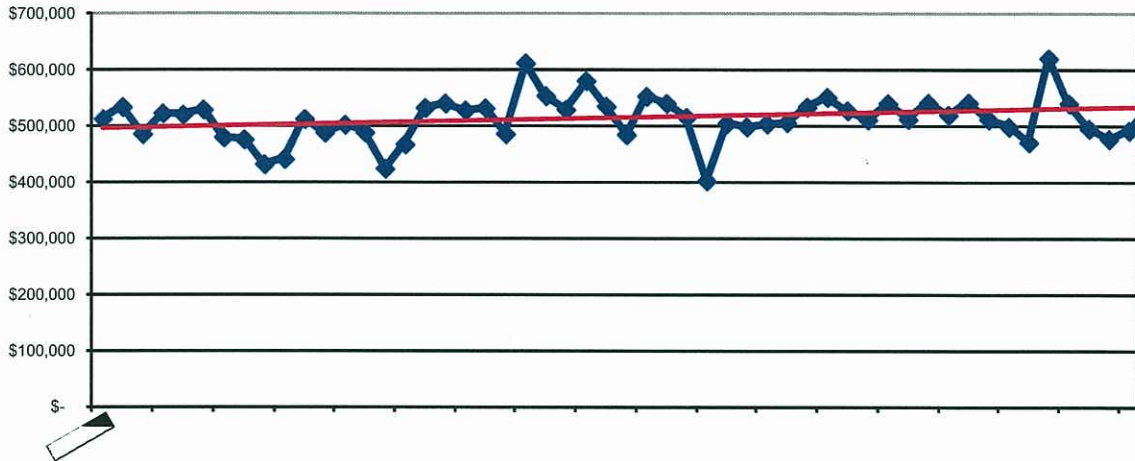


Medicare A Revenues by Month



Salaries continue to be our biggest cost. Graphically, the salary relationship is presented below.

Salaries by Month



Salaries per resident day averaged \$84 per day from December 2011 through March 2012. In April the costs averaged \$93 and increased again to \$97 per day in May. June's average was \$97.72. These increases have been offset by the reduction in agency in the same months. I expect the Administrative change will reverse this trend in the coming months.

The table below shows that salary costs per day are lower in 2012 compared to 2011.

**Salaries Per Resident Day
By Fiscal Year**



The last graph, below, compares salaries to agency, and there has been a big improvement in containing outside staffing costs. We are currently refining the nursing department scheduling process which should translate to a decrease in costs by reducing overtime and agency use.

**CCNH Salaries Per Resident Day vs Agency Expense
May 2010 thru June 2012**



Summary

New month – same story. The bad news - Medicare remains low. The good news – overall census has been strong at 200 for the past two months with no change seen in July.

To: Board of Directors
Champaign County Nursing Home

From: Scott T Gima
Manager

Date: August 9, 2013

Re: Cash Position
Sources & Uses of Anticipated Funds

Attached are the exhibits showing CCNH's cash position as of June 30, 2012.

Medicaid payments remain 2 to 3 months in arrears. So far in the new state fiscal year, the payment cycle has not changed. There still has been no indication from the State of any immediate changes to the payment schedule.

May's ending cash balance was \$906,000; a \$56k decrease from May. Cash from operations was a positive \$245k, but was offset by a tax anticipation note payment of \$280k and a \$21k for the boiler improvements that was mentioned last month.

Accounts Payable increased slightly from \$2.03 million in May to \$2.08 million in June. Accounts receivable fell from \$4.18 million in May to \$3.73 million in June.

Champaign County Nursing Home
Statement of Cash Flows (Indirect Method)
7 Months
November 30, 2011 through June 30, 2012

CASH FLOW FROM OPERATING ACTIVITIES:

Net Income (Loss) - YTD	\$ (199,498)
Depreciation Expense	425,218
(Incr.)/Decr. in Accounts Receivable	2,221,798
(Incr.)/Decr. in Prepaid Expenses	(113,859)
(Incr.)/Decr. in Inventory	-
(Incr.)/Decr. in Patient Trust	330
Incr./(Decr.) in Accounts Payable	(1,606,695)
Incr./(Decr.) in Salaries and Wages Payable	(397,882)
Incr./(Decr.) in Interest Payable	(60,529)
Incr./(Decr.) in Accrued Com. Absences	40,395
Incr./(Decr.) in Other Liabilities	<u>(474)</u>
Net Cash Provided by Operating Activities	308,804

CASH FLOW FROM INVESTING ACTIVITIES:

Purchase of Equipment	(12,412)
Improvements (CIP)	<u>(21,339)</u>
Net Cash Provided by Investing Activities	(33,751)

CASH FLOW FROM FINANCING ACTIVITIES:

Increase in Tax Anticipation Note	344,256
(Decrease) in Bonds Payable	(165,000)
(Decrease) in Equity Adjustment	<u>-</u>
Net Cash Provided by Financing Activities	179,256

Total Cash Flow	454,309
Beginning Cash - 11/30/2011	<u>451,613</u>
ENDING CASH - 6/30/2012	<u><u>\$ 905,922</u></u>

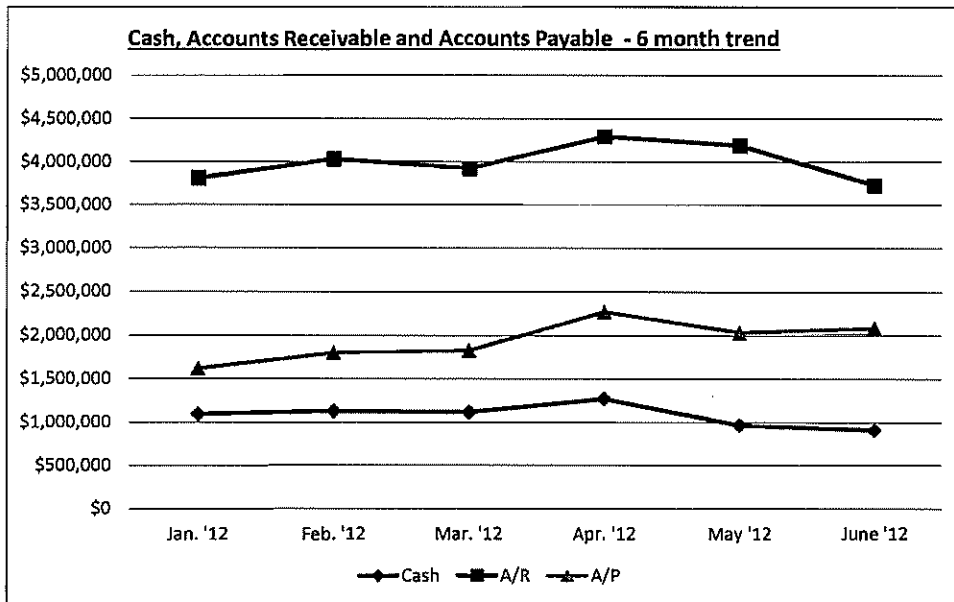
Champaign County Nursing Home
Monthly Statements of Cash Flow (Indirect Method)
January 31, 2012 through June 30, 2012

	<u>Jan. '12</u>	<u>Feb. '12</u>	<u>Mar. '12</u>	<u>Apr. '12</u>	<u>May '12</u>	<u>June '12</u>
<u>CASH FLOW FROM OPERATING ACTIVITIES:</u>						
Net Income (Loss) - Monthly	\$ 26,937	\$ (15,677)	\$ (66,242)	\$ (64,629)	\$ (66,268)	\$ (47,187)
Depreciation Expense	61,222	60,774	60,762	60,762	60,762	60,638
(Incr.)/Decr. in Accounts Receivable	(375,515)	(224,615)	110,833	(368,380)	102,207	459,018
(Incr.)/Decr. in Prepaid Expenses	10,400	467	7,301	13,032	13,033	13,032
(Incr.)/Decr. in Inventory	4,129	-	-	-	-	-
(Incr.)/Decr. in Patient Trust	(698)	(1,353)	611	416	1,140	(216)
Incr./(Decr.) in Accounts Payable	46,630	181,731	24,706	443,831	(236,338)	53,526
Incr./(Decr.) in Salaries and Wages Payable	88,553	15,778	(175,625)	51,198	67,242	(223,720)
Incr./(Decr.) in Interest Payable	(60,529)	11,485	11,365	11,426	11,425	(57,126)
Incr./(Decr.) in Accrued Com. Absences	10,844	7,621	23,024	5,473	(3,371)	(13,028)
Incr./(Decr.) in Other Liabilities	698	11,415	(8,028)	(561)	(1,139)	216
Net Cash Provided (Used) by Operating Activities	<u>(187,329)</u>	<u>47,626</u>	<u>(11,293)</u>	<u>152,568</u>	<u>(51,307)</u>	<u>245,153</u>
<u>CASH FLOW FROM INVESTING ACTIVITIES:</u>						
Purchase of Equipment	-	(12,412)	-	-	-	-
Improvements (CIP)	-	-	-	-	-	(21,339)
Net Cash Provided (Used) by Investing Activities	<u>-</u>	<u>(12,412)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(21,339)</u>
<u>CASH FLOW FROM FINANCING ACTIVITIES:</u>						
Incr./(Decr.) in Tax Anticipation Note	-	-	-	-	(254,456)	(279,705)
Incr./(Decr.) in Bonds Payable	(165,000)	-	-	-	-	-
Incr./(Decr.) in Equity Adjustment	-	-	-	-	-	-
Net Cash Provided (Used) by Financing Activities	<u>(165,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(254,456)</u>	<u>(279,705)</u>
Total Cash Flow	<u>(352,329)</u>	<u>35,214</u>	<u>(11,293)</u>	<u>152,568</u>	<u>(305,763)</u>	<u>(55,891)</u>
Beginning Cash Balance (Prior Month's)	1,443,416	1,091,087	1,126,301	1,115,008	1,267,576	961,813
MONTH ENDING CASH BALANCE	<u>\$ 1,091,087</u>	<u>\$ 1,126,301</u>	<u>\$ 1,115,008</u>	<u>\$ 1,267,576</u>	<u>\$ 961,813</u>	<u>\$ 905,922</u>

**Champaign County Nursing Home
January 31, 2012 through June 30, 2012**

Key Balance Sheet Items Charted Below:

	<u>Jan. '12</u>	<u>Feb. '12</u>	<u>Mar. '12</u>	<u>Apr. '12</u>	<u>May '12</u>	<u>June '12</u>
Cash	1,091,087	1,126,301	1,115,008	1,267,576	961,813	905,922
A/R	3,804,757	4,029,372	3,918,539	4,286,919	4,184,712	3,725,696
A/P	1,616,512	1,798,243	1,822,949	2,266,780	2,030,442	2,083,968



To: Board of Directors
Champaign County Nursing Home

From: Scott T Gima
Manager

Date: August 9, 2012

Re: Renal Dialysis Update

In May, the Operating Board of Directors approved dialysis program concept. The RFP was included in the June management packet but action to approve the RFP was postponed. Last month, MPA submitted a Renal Dialysis Program Summary that details the strategy behind the program and the financial feasibility. This document was approved by the Board of Directors to be presented with the RFP to the County Board Policy Committee in August for review and approval. No additional action is required this month.

We have learned that Champaign Urbana Regional Rehab Center is planning on establishing a 10-bed renal dialysis unit. Their plan is to use NxStage, which is a bed-side hemodialysis program that is a home setting dialysis unit.

At the very least, this development validates dialysis as a needed service. Nonetheless, it does not change our plans. The CCNH dialysis program has been based on developing a traditional hemodialysis program, with a separate treatment area, similar to what is provided in the hospital and outpatient setting. This will differentiate our dialysis program by providing a higher quality program that is consistent with the existing inpatient and outpatient dialysis services.

To: Board of Directors
Champaign County Nursing Home

From: Scott T Gima
Manager

Date: August 9, 2012

Re: Management Update

This is the forty-eighth in a series of updates designed to keep you current on developments at CCNH.

Census: For the first quarter of fiscal 2012, census averaged 197.3. Our preferred level is 195 while the budget is 190. March census was 190.7, April averaged 191.1 and May was 192.3. June's census averaged 199.7.

The table below shows the payor mix trends so far this year. Clearly, Medicaid is up and Medicare is down.

Payor Mix – FY 2012

	Dec	Jan	Feb	Mar	Apr	May	Jun
Medicare	9.3%	9.2%	10.5%	10.4%	8.0%	6.2%	6.8%
Medicaid	52.8%	53.0%	52.1%	54.1%	56.6%	58.4%	58.3%
Private Pay	37.9%	37.8%	37.3%	35.5%	35.4%	35.4%	34.9%

Operations: June showed a net loss of \$(47). On a cash basis, adding back depreciation of \$61k, the month ended with a positive cash increase of \$14k. On a year-to-date basis, we show a net loss of \$(245)k, but adding back the depreciation expense of \$425k, CCNH has a cash gain of \$181k.

Financial performance continues to be subpar. Occupancy has improved in June but Medicare census remains low. The primary reason is a low hospital census over the past few months. June will show a much stronger census. June's Medicare was a slight improvement at 13.1, compared to 12.2 in May.

On the expense side, agency costs remain low at \$45k in May and in June at \$48k. It turns out that June's expense is inflated due to a \$16k payment for a December 2011 invoice that was misfiled and as a result, not paid. Taking that into consideration, the actual agency cost for June was \$32k.

While agency expenses have declined, nursing salaries have increased, which is to be expected. But I believe that other factors are contributing to the higher labor costs. The recent administrative change should result in lower labor costs in the coming months. Management is working on retool the scheduling process. The goal is to increase staff continuity, staff retention and further reductions in agency usage.

Medicaid Payments/Cash Flow: Medicaid payments continue to be two months in arrears. There still has been no communication from the State on any changes to the payment cycle. In a conference call with Life Services Network (LSN), Matt Werner, a Medicaid consultant to LSN believes that payments in 2012 will continue at the current pace if not a little better. However, payment slowdowns may occur in 2013 if the projected Medicaid cost savings projections and cigarette tax revenue projections fall short of expectations.

Clearly, the possibility of additional payments delays is a real possibility. The need for short-term financing is still needed. We have been continuing our efforts to secure financing, but there have been no new developments. MPA's efforts to secure a regular payment status with the State continue, but the pension issue is a current distraction in our discussions.

2013 Budget: You received an earlier update on the budget.

Corporate Compliance: The compliance program addendum to the MPA management contract was tabled at the June 12th County Board Finance Committee meeting. The item will be discussed at the August County Finance Committee meeting on August 14th.

Respiratory Therapy: Respiratory therapy (RT) services provided by a licensed respiratory therapists has traditionally been a missing service in the nursing home setting due to the cost of providing a therapist and a historical lack of need for these services. With the increasing acuity and increasing prevalence of patients with active or underlying respiratory related problems or diseases, there is clearly a need for RT services which is not offered by any area nursing homes. Congestive heart failure, pneumonia and chronic obstructive pulmonary disease (COPD) are common medical issues treated at hospitals. When these patients are discharged to the nursing home, the only respiratory therapy services that continue in the nursing home are metered dose inhalers (puffers) or the occasional nebulizer treatments. The availability of a professional respiratory therapist will increase the number of Medicare referrals from the hospital. RT services are also defined as a skilled service that is covered by Medicare Part A, which opens up the possibility of keeping a resident on Medicare even after physical therapy is stopped, resulting in an increase in the Medicare length of stay. RT services can also move a resident into a higher paying Medicare RUG group. Medicaid rates are currently frozen, but when they are unfrozen in 2014, RT will provide an opportunity to increase the facility's Medicaid rate.

A few months ago, I discussed this issue with Alliance Rehab, CCNH's current therapy vendor. They have established a respiratory therapy program which will be implemented at CCNH. There is no capital investment in this program. Alliance will recruit and provide the respiratory therapist. Based on the evaluation of our historical and current resident population, there is a need for a respiratory therapist at the facility on a full-time (40 hours a week) basis. CCNH will incur a cost of \$55 per hour. This cost is included in the 2013

budget. Background information on the respiratory therapy program is included in the accompanying memorandum.

As always, give me a call (314-434-4227, x12) or contact me via e-mail if you have questions.

To: Board of Directors
Champaign County Nursing Home

From: Scott T Gima
Manager

Date: August 9, 2012

Re: Respiratory Therapy/Pulmonary Rehabilitation Program Background

With the continued effort by acute care medical providers to discharge patients faster to lower cost care centers, such as Skilled Nursing Facilities, , it is clear that a strategy to recruit new residents and retain those long term residents will be critical to the success of the community.

Many residents suffer from a primary or secondary diagnosis such as congestive heart failure (CHF), chronic obstructive pulmonary disease (COPD), pneumonia and respiratory failure; which is the inability to effectively ventilate and oxygenate. More than 12 million people are diagnosed with COPD and another 12 million likely have the disease and don't even know it. In fact, COPD is the 4th leading cause of death in the United States and kills more than 120,000 American each year – that's 1 death every 4 minutes.

Epidemiology of Pulmonary Disease

- 35 million Americans have COPD
- 2nd leading cause of disability
- 4th leading cause of death
- 16 million physician office visits
- 1.5 million emergency department visits
- 26 thousand hospital admission
- 50 thousand skilled nursing facility admissions have respiratory disease as a primary or secondary diagnosis
- COPD healthcare costs exceed \$ 40 Billion Annually

The following is a list of the major lung diseases:

Acute Bronchitis	Acute Respiratory Distress Syndrome
Asbestosis	Asthma
Bronchiectasis	Bronchiolitis
Bronchiolitis Obilterans Pneumonia	Bronchopulmonary Dysplasia
Byssinosis	Chronic Bronchitis
Coccidiomycosis	COPD
Cyptogenic Organizing Pneumonia	Cystic Fibrosis
Emphysema	Hantavirus Pulmonary Syndrome

Histoplasmosis
Hypersensitive Pneumonitis
Lung Cancer
Mesothelioma
Pertusis
Pneumonia
Primary Pulmonary Hypertension
Pulmonary Fibrosis
Respiratory Syncytial Virus (RSV)
Silicosis

Human Metapneumovirus
Influenza
Lymphangiomatosis
Non-tuberculosis Mycobacterium
Pneumoconiosis
Primary Ciliary Dyskinesia
Pulmonary Arterial Hypertension
Pulmonary Vascular Disease
Sarcoidosis
Tuberculosis

The Respiratory Therapy and Pulmonary Rehab Program will focus on the entire facility, with a “prime” focus on new admits and Medicare Part A residents with the goal to screen, assess and intervene before a respiratory crisis occurs. The Respiratory Therapist would be part of the Interdisciplinary team and be accountable to our Program Manager. The additional focus would be on education and improving the residents ADLs to higher levels of independence and enhance the capability to self-administer medications.

The RT program goals include:

- Developing a unique integrated respiratory therapy and pulmonary rehab program with a focus on clinical delivery and integration with nursing and physical rehab services
- Facilitating admission from referral sources of higher-acuity residents with comorbidities and respiratory diseases, pneumonia, obstructive and restrictive lung disorders, and tracheostomies
- Promoting an innovative strategic initiative for health care reform
- Reduce readmission to hospitals
- Utilize and promote Alliance Rehab proprietary Disease State Management Modules
- Hire Licensed, Certified, and Registered Respiratory Therapists to ensure high-quality pulmonary care for residents that measures up to the standards of health care organizations who seek post-acute placement of their patients
- Integrate respiratory therapy and pulmonary rehab with physical therapy, occupational therapy, speech language pathology, and exercise physiology to create a Rehab and Wellness Delivery Model
- Employ clinical best practices to ensure consistent rapid assessment, recommendations, intervention, and delivery of respiratory care and, ultimately, positive therapeutic outcomes
- Conduct ongoing assessment of resident’s clinical status to identify the need for medical intervention
- Determine clinical status based on patient assessment data and develop individualized respiratory care plan
- Provide feedback to nursing and physical rehabilitation departments on resident pulmonary and oxygenation status at rest as well as during activity and rehab
- Focus respiratory care and pulmonary rehabilitation on improving residents’ ADLs and their ability to participate in rehab and exercise programs

- Educate, demonstrate, and use appropriate techniques for resident's respiratory care, including CPT, incentive spirometry, airway care, and pulmonary breathing exercises
- Recommend the necessary equipment, educate, and use appropriate techniques for the administration of oxygen, humidity therapy, aerosol medications, CPT, modalities, and provide diagnostics for objective assessment of pulmonary mechanics
- Provide advanced clinical modalities including oxygen therapy, aerosol delivery, airway care, respiratory care applications and modalities, pulmonary diagnostic and pulmonary rehab techniques
- Evaluate patient outcomes and recommend modification to respiratory care plan, as indicated
- Offer education and training of client staff, residents, and families
- Reduce discharges back to hospitals at all points of care
- Reduce pulmonary mortality rates
- Add clinical program capabilities
- Improve your marketing to medical centers, physicians, managed care organizations
- Census growth and resident retention

Program Recommendations:

According to an analysis conducted by Alliance Rehab, respiratory therapy procedures and oxygen administration are significantly high when compared to other facilities of comparable size. The data was very consistent with a very high acuity case mix of pulmonary, cardiac, metabolic and orthopedic diagnoses and the availability of RT services will result in additional referrals to Champaign County Nursing Home. The volume of residents with respiratory related problems is consistent with a nationwide trend in the continued increase of pulmonary and cardiac comorbidity which effects ADLs, rehab progress and creates a greater risk of readmission back to the hospital.

Along with the need to reduce as many re-admissions back to the hospital as possible, Alliance suspects that we are currently missing opportunities to improve ADLs, intervene proactively and retain those residents in your SNF. The presence of a well-trained respiratory therapist will assist in the assessment and recommendation of procedures that will drive toward improved outcomes. The number of residents with COPD is very high and warrants closer care with an opportunity for Pulmonary Rehab.

An initial staffing pattern of 5-7 days per week and a minimum of 6-8 hours per day would be warranted. Responsibilities of the therapist would include:

- screening the charts,
- discuss current treatment regimens with nursing, rehab and the medical team,
- request evaluation orders,
- develop a plan of care, provide therapy
- establish the caseload for those residents that require the skills of a respiratory therapist

Champaign County Nursing Home													1
Historical Statement of Operations													
06/30/12	07/11	08/11	09/11	10/11	11/11	12/11	01/12	02/12	03/12	04/12	05/12	06/12	Total
Operating Income													
Miscellaneous Revenue	181	2,296	38,668	3,713	21,022	375	3,692	2,321	1,666	4,919	2,438	2,282	83,573
Medicare A Revenue	223,613	208,260	268,336	211,478	296,258	269,111	267,048	245,984	263,665	182,112	203,112	185,770	2,824,746
Medicare B Revenue	55,875	61,313	19,537	47,635	33,219	27,443	32,308	29,922	45,762	40,831	53,402	45,732	492,978
Medicaid Revenue	500,794	533,505	526,081	535,725	799,670	456,867	464,209	432,112	490,350	523,162	512,337	516,762	6,291,574
Private Pay Revenue	306,569	271,953	275,440	285,680	380,686	418,380	394,211	347,185	293,488	307,746	379,109	368,537	4,029,185
Adult Day Care Revenue	21,330	25,656	21,583	21,201	71,220	22,015	18,754	18,650	19,528	20,001	23,172	23,072	306,182
Total Income	1,108,362	1,102,982	1,149,645	1,105,432	1,602,275	1,194,190	1,180,222	1,076,174	1,114,458	1,078,772	1,173,571	1,142,154	14,028,237
Operating Expenses													
Administration	201,814	250,898	271,623	247,521	236,438	215,649	198,794	218,922	215,254	253,989	255,685	257,759	2,824,342
Environmental Services	102,754	89,373	90,389	78,148	83,514	85,773	100,060	93,148	96,940	98,505	101,913	95,839	1,116,359
Laundry	13,726	15,589	15,917	14,152	16,489	17,601	18,762	17,046	15,521	16,042	15,967	17,576	194,408
Maintenance	16,611	21,988	16,496	12,836	35,310	21,463	23,796	26,929	20,012	25,539	29,874	11,212	262,068
Nursing Services	495,632	483,899	603,611	467,080	564,034	549,898	528,774	483,658	544,242	526,834	554,103	514,985	6,216,748
Activities	13,998	16,152	18,197	19,242	20,250	20,646	23,692	20,369	22,600	20,833	20,486	17,021	233,487
Social Services	14,171	16,180	15,891	16,425	16,047	17,557	18,506	18,075	19,364	16,609	20,376	19,816	209,017
Physical Therapy	40,096	40,994	41,741	38,656	38,731	36,697	36,566	37,057	39,067	39,759	47,638	42,134	479,134
Occupational Therapy	36,187	36,173	37,851	34,082	32,637	32,256	36,000	34,238	36,064	33,311	35,218	36,792	420,809
Speech Therapy	18,417	17,950	20,047	15,401	14,308	14,699	10,376	8,467	11,501	9,617	9,350	10,424	160,557
Food Services	109,900	111,845	109,871	100,263	128,948	111,091	106,942	104,281	118,169	107,616	112,445	117,465	1,338,836
Barber & Beauty	5,774	6,428	6,139	5,702	6,731	6,539	7,379	6,642	7,236	6,049	6,900	7,121	78,839
Adult Day Care	20,825	17,649	15,579	13,335	16,501	16,587	21,076	18,994	20,327	20,992	23,910	21,818	227,693
Alzheimers and Related Disorders	129,304	109,894	109,476	115,781	107,020	101,026	109,076	90,814	102,244	86,580	92,469	105,701	1,259,384
Total Expenses	1,219,309	1,235,012	1,272,828	1,178,625	1,316,957	1,247,479	1,239,820	1,178,640	1,266,540	1,262,278	1,326,334	1,275,658	15,021,478
Net Operating Income	(110,947)	(132,030)	(123,183)	(73,193)	285,317	(53,289)	(59,599)	(102,466)	(154,082)	(183,504)	(152,763)	(133,504)	(993,242)
NonOperating Income													
Local Taxes	82,997	83,157	82,997	82,997	91,594	86,990	86,119	86,119	86,167	86,147	86,023	86,119	1,027,446
Miscellaneous NI Revenue	88	36	927	208	1,001,322	737	417	670	1,654	32,728	472	198	1,039,457
Total NonOperating Income	83,085	83,193	83,924	83,205	1,092,916	87,727	86,536	86,789	87,840	118,875	86,496	86,317	2,068,903
Net Income (Loss)	(27,861)	(48,837)	(39,259)	10,013	1,376,234	34,438	26,937	(15,677)	(66,242)	(64,629)	(66,267)	(47,187)	1,073,682

Champaign County Nursing Home
Actual vs Budget Statement of Operations

06/30/12

1

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Operating Income						
Miscellaneous Revenue						
Lunch Reimbursement	500.00	393.00	107.00	3,663.00	2,751.00	912.00
Late Charge, NSF Check Charge	1,753.18	626.00	1,127.18	9,721.89	4,382.00	5,339.89
Other Miscellaneous Revenue	28.88	376.00	(347.12)	4,308.62	2,632.00	1,676.62
Total Miscellaneous Revenue	2,282.06	1,395.00	887.06	17,693.51	9,765.00	7,928.51
Medicare A Revenue						
Medicare A	156,996.15	253,617.00	(96,620.85)	1,267,415.99	1,775,319.00	(507,903.01)
ARD - Medicare A	3,076.83		3,076.83	83,493.47		83,493.47
NH Pt_Care - Medicare Advantage/ Hmo	25,696.63	38,665.00	(12,968.37)	261,016.12	270,655.00	(9,638.88)
ARD_Pt Care - Medicare Advantage/ HMO				4,875.00		4,875.00
Total Medicare A Revenue	185,769.61	292,282.00	(106,512.39)	1,616,800.58	2,045,974.00	(429,173.42)
Medicare B Revenue						
Medicare B	45,731.52	50,001.00	(4,269.48)	275,399.34	350,007.00	(74,607.66)
Total Medicare B Revenue	45,731.52	50,001.00	(4,269.48)	275,399.34	350,007.00	(74,607.66)
Medicaid Revenue						
Medicaid Title XIX (IDHFS)	351,216.65	418,192.00	(66,975.35)	2,276,553.19	2,927,344.00	(650,790.81)
ARD - Medicaid Title XIX (IDHFS)	129,673.60		129,673.60	1,004,588.10		1,004,588.10
Patient Care-Hospice	26,431.01	4,215.00	22,216.01	72,134.69	29,505.00	42,629.69
ARD Patient Care - Hospice	9,440.81		9,440.81	42,522.64		42,522.64
Total Medicaid Revenue	516,762.07	422,407.00	94,355.07	3,395,798.62	2,956,849.00	438,949.62
Private Pay Revenue						
VA-Veterans Nursing Home Care	13,002.60	6,357.00	6,645.60	81,266.25	44,499.00	36,767.25
ARD - VA - Veterans Care				17,336.80		17,336.80
Nursing Home Patient Care - Private Pay	261,982.10	375,763.00	(113,780.90)	1,782,481.57	2,630,341.00	(847,859.43)
Nursing Home Beauty Shop Revenue	3,666.10	1,973.00	1,693.10	25,611.80	13,811.00	11,800.80
Medical Supplies Revenue	1,741.75	3,002.00	(1,260.25)	34,646.78	21,014.00	13,632.78
Patient Transportation Charges	26.84	816.00	(789.16)	9,591.11	5,712.00	3,879.11
ARD Patient Care- Private Pay	88,117.40		88,117.40	557,722.00		557,722.00
Total Private Pay Revenue	368,536.79	387,911.00	(19,374.21)	2,508,656.31	2,715,377.00	(206,720.69)
Adult Day Care Revenue						
VA-Veterans Adult Daycare	2,982.07	679.00	2,303.07	19,929.31	4,753.00	15,176.31
IL Department Of Aging-Day Care Grant (Title XX)	16,173.46	6,074.00	10,099.46	93,543.27	42,518.00	51,025.27
Adult Day Care Charges-Private Pay	3,916.00	2,572.00	1,344.00	31,719.50	18,004.00	13,715.50
Total Adult Day Care Revenue	23,071.53	9,325.00	13,746.53	145,192.08	65,275.00	79,917.08
Total Income	1,142,153.58	1,163,321.00	(21,167.42)	7,959,540.44	8,143,247.00	(183,706.56)

Operating Expenses

Administration

Reg. Full-Time Employees	29,873.49	28,399.00	(1,474.49)	206,103.94	198,793.00	(7,310.94)
Temp. Salaries & Wages	1,196.16	612.00	(584.16)	6,561.18	4,284.00	(2,277.18)
Per Diem	206.64	189.00	(17.64)	1,449.90	1,323.00	(126.90)
Overtime	170.55	262.00	91.45	785.67	1,834.00	1,048.33
TOPS - Balances	5,714.85		(5,714.85)	12,825.40		(12,825.40)
TOPS - FICA	437.18		(437.18)	981.14		(981.14)
Social Security - Employer	2,334.25	2,268.00	(66.25)	15,466.19	15,876.00	409.81
IMRF - Employer Cost	2,934.06	2,840.00	(94.06)	19,584.29	19,880.00	295.71
Workers' Compensation Insurance	1,718.95	1,490.00	(228.95)	11,763.86	10,430.00	(1,333.86)
Unemployment Insurance	464.85	612.00	147.15	6,669.53	4,284.00	(2,385.53)

Thursday, August 02, 2012

11:06 AM

Champaign County Nursing Home
Actual vs Budget Statement of Operations

06/30/12

2

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Employee Health/Life Insurance	4,882.40	5,475.00	592.60	31,282.60	38,325.00	7,042.40
IMRF - Early Retirement Obligation	3,475.36		(3,475.36)	24,327.52		(24,327.52)
Employee Development/Recognition	146.80	140.00	(6.80)	1,063.55	980.00	(83.55)
Employee Physicals/Lab	1,904.80	2,170.00	265.20	13,322.40	15,190.00	1,867.60
Stationary & Printing	202.13	225.00	22.87	2,002.66	1,575.00	(427.66)
Books, Periodicals & Manuals				69.00		(69.00)
Copier Supplies	608.84	740.00	131.16	5,062.41	5,180.00	117.59
Postage, UPS, Federal Express	736.39	713.00	(23.39)	4,419.15	4,991.00	571.85
Operational Supplies	1,156.19	2,222.00	1,065.81	13,832.90	15,554.00	1,721.10
Audit & Accounting Fees	6,224.87	3,593.00	(2,631.87)	27,974.09	25,151.00	(2,823.09)
Architect Fees				3,082.10		(3,082.10)
Attorney Fees	863.50	4,166.00	3,302.50	43,826.78	29,162.00	(14,664.78)
Professional Services	29,150.98	29,166.00	15.02	241,559.85	204,162.00	(37,397.85)
Job Required Travel Expense	119.18	359.00	239.82	1,099.74	2,513.00	1,413.26
Insurance	24,981.00	21,022.00	(3,959.00)	116,653.83	147,154.00	30,500.17
Property Loss & Liability Claims	42.00	96.00	54.00	2,902.17	672.00	(2,230.17)
Computer Services	4,220.37	2,403.00	(1,817.37)	29,192.62	16,821.00	(12,371.62)
Telephone Services	1,382.34	1,613.00	230.66	10,073.07	11,291.00	1,217.93
Automobile Maintenance				290.00		(290.00)
Legal Notices, Advertising	4,212.55	5,099.00	886.45	27,523.64	35,693.00	8,169.36
Photocopy Services	2,081.90	627.00	(1,454.90)	7,250.60	4,389.00	(2,861.60)
Public Relations	216.88	190.00	(26.88)	240.36	1,330.00	1,089.64
Dues & Licenses	1,625.08	2,310.00	684.92	8,250.32	16,170.00	7,919.68
Conferences & Training	327.02	940.00	612.98	2,640.49	6,580.00	3,939.51
Finance Charges, Bank Fees	1,952.58	2,548.00	595.42	3,726.80	17,836.00	14,109.20
Cable/Satellite TV Expense	2,474.32	2,395.00	(79.32)	17,118.76	16,765.00	(353.76)
IPA Licensing Fee	45,018.50	11,086.00	(33,932.50)	177,788.50	77,602.00	(100,186.50)
Fines & Penalties		1,025.00	1,025.00	7,280.00	7,175.00	(105.00)
Depreciation Expense	60,638.37	59,633.00	(1,005.37)	425,217.66	417,431.00	(7,786.66)
Transfers to General Corporate Fund		6,021.00	6,021.00		42,147.00	42,147.00
Interest-Tax Anticipation Notes Payable	2,632.76	333.00	(2,299.76)	4,805.38	2,331.00	(2,474.38)
Interest on Interfund Loan		1,000.00	1,000.00		7,000.00	7,000.00
Interest- Bonds Payable	11,425.21	11,425.00	(0.21)	79,976.47	79,975.00	(1.47)
Total Administration	257,753.30	215,407.00	(42,346.30)	1,616,046.52	1,507,849.00	(108,197.52)
Environmental Services						
Reg. Full-Time Employees	35,103.73	27,423.00	(7,680.73)	217,047.14	191,961.00	(25,086.14)
Overtime	3.99	734.00	730.01	4,467.97	5,138.00	670.03
TOPS - Balances	(142.73)		142.73	7,425.58		(7,425.58)
TOPS- FICA	(10.92)		10.92	568.06		(568.06)
Social Security - Employer	2,640.31	2,097.00	(543.31)	16,474.78	14,679.00	(1,795.78)
IMRF - Employer Cost	3,475.53	2,835.00	(640.53)	21,702.20	19,845.00	(1,857.20)
Workers' Compensation Insurance	1,941.37	1,424.00	(517.37)	11,972.59	9,968.00	(2,004.59)
Unemployment Insurance	1,471.15	713.00	(758.15)	9,914.48	4,991.00	(4,923.48)
Employee Health/Life Insurance	7,274.19	6,192.00	(1,082.19)	46,684.87	43,344.00	(3,340.87)
Operational Supplies	4,111.72	5,993.00	1,881.28	32,297.64	41,951.00	9,653.36
Gas Service	6,456.53	14,103.00	7,646.47	77,399.18	98,721.00	21,321.82
Electric Service	26,579.76	17,897.00	(8,882.76)	156,628.38	123,879.00	(32,749.38)
Water Service	2,171.81	2,171.00	(0.81)	15,876.77	15,197.00	(679.77)
Pest Control Service	482.00	478.00	(4.00)	3,774.02	3,346.00	(428.02)
Waste Disposal & Recycling	2,736.98	4,078.00	1,341.02	37,143.28	28,546.00	(8,597.28)
Equipment Rentals	258.00	289.00	31.00	1,806.00	2,023.00	217.00
Sewer Service & Tax	1,286.02	1,137.00	(149.02)	10,996.26	7,959.00	(3,037.26)
Total Environmental Services	95,839.44	87,364.00	(8,475.44)	672,179.20	611,548.00	(60,631.20)

Laundry

Champaign County Nursing Home
Actual vs Budget Statement of Operations

06/30/12

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Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Reg. Full-Time Employees	10,496.32	10,731.00	234.68	64,457.62	75,117.00	10,659.38
Overtime		177.00	177.00	1,364.34	1,239.00	(125.34)
TOPS Balances	(568.70)		568.70	2,444.11		(2,444.11)
TOPS - FICA	(43.50)		43.50	186.98		(186.98)
Social Security - Employer	794.57	834.00	39.43	4,887.05	5,838.00	950.95
IMRF - Employer Cost	1,045.92	1,098.00	52.08	6,438.23	7,686.00	1,247.77
Workers' Compensation Insurance	580.44	552.00	(28.44)	3,559.76	3,864.00	304.24
Unemployment Insurance	432.37	222.00	(210.37)	2,954.56	1,554.00	(1,400.56)
Employee Health/Life Insurance	1,661.50	1,825.00	163.50	11,383.00	12,775.00	1,392.00
Laundry Supplies	1,441.75	1,986.00	544.25	10,957.96	13,902.00	2,944.04
Linen & Bedding	1,735.32	1,240.00	(495.32)	9,901.60	8,680.00	(1,221.60)
Total Laundry	17,575.99	18,665.00	1,089.01	118,535.21	130,655.00	12,119.79
Maintenance						
Reg. Full-Time Employees	5,154.97	12,033.00	6,878.03	29,543.49	84,231.00	54,687.51
Overtime		8.00	8.00	155.13	56.00	(99.13)
TOPS - Balances	242.73		(242.73)	1,567.42		(1,567.42)
TOPS - FICA	18.57		(18.57)	119.91		(119.91)
Social Security - Employer	392.33	921.00	528.67	2,247.98	6,447.00	4,199.02
IMRF - Employer Cost	516.42	1,212.00	695.58	2,962.44	8,484.00	5,521.56
Workers' Compensation Insurance	285.03	609.00	323.97	1,632.38	4,263.00	2,630.62
Unemployment Insurance	273.38	133.00	(140.38)	1,481.37	931.00	(550.37)
Employee Health/Life Insurance	549.80	1,825.00	1,275.20	573.20	12,775.00	12,201.80
Gasoline & Oil	1,226.70	15.00	(1,211.70)	1,299.22	105.00	(1,194.22)
Ground Supplies		70.00	70.00	138.00	490.00	352.00
Maintenance Supplies	2,021.96	3,120.00	1,098.04	34,788.89	21,840.00	(12,948.89)
Professional Services		3,120.00	3,120.00	123.00	21,840.00	21,717.00
Automobile Maintenance	2,227.95	445.00	(1,782.95)	5,635.14	3,115.00	(2,520.14)
Equipment Maintenance	918.73	2,599.00	1,680.27	11,367.16	18,193.00	6,825.84
Equipment Rentals		69.00	69.00	(240.55)	483.00	723.55
Nursing Home Building Repair/Maintenance	(2,616.36)	5,702.00	8,318.36	53,627.40	39,914.00	(13,713.40)
Conferences & Training		162.00	162.00	1,444.82	1,134.00	(310.82)
Landscaping Services				24.00		(24.00)
Parking Lot/Sidewalk Maintenance		2,596.00	2,596.00	5,710.60	18,172.00	12,461.40
Nursing Home Building Construction/Improvements				4,625.46		(4,625.46)
Total Maintenance	11,212.21	34,639.00	23,426.79	158,826.46	242,473.00	83,646.54
Nursing Services						
Reg. Full-Time Employees	116,139.55	130,159.00	14,019.45	776,591.54	911,113.00	134,521.46
Reg. Part-Time Employees	3,033.99	4,555.00	1,521.01	20,330.65	31,885.00	11,554.35
Temp. Salaries & Wages	35,960.90	31,230.00	(4,730.90)	200,994.96	218,610.00	17,615.04
Overtime	44,807.91	34,983.00	(9,824.91)	283,944.94	244,881.00	(39,063.94)
TOPS - Balances	(16,670.67)		16,670.67	5,346.54		(5,346.54)
No Benefit Full-Time Employees	93,526.55	73,277.00	(20,249.55)	605,283.84	512,939.00	(92,344.84)
No Benefit Part-Time Employees	40,987.72	29,883.00	(11,104.72)	223,425.05	209,181.00	(14,244.05)
TOPS - FICA	(1,275.30)		1,275.30	409.01		(409.01)
Social Security - Employer	25,415.16	23,262.00	(2,153.16)	159,230.34	162,834.00	3,603.66
IMRF - Employer Cost	29,405.76	30,621.00	1,215.24	186,480.93	214,347.00	27,866.07
Workers' Compensation Insurance	15,996.78	13,616.00	(2,380.78)	101,280.37	95,312.00	(5,968.37)
Unemployment Insurance	7,534.96	4,949.00	(2,585.96)	73,642.34	34,643.00	(38,999.34)
Employee Health/Life Insurance	16,498.10	12,664.00	(3,834.10)	110,878.06	88,648.00	(22,230.06)
Books, Periodicals & Manuals	89.00	29.00	(60.00)	469.55	203.00	(266.55)
Stocked Drugs	2,262.94	2,974.00	711.06	24,902.78	20,818.00	(4,084.78)
Pharmacy Charges-Public Aid	2,164.35	809.00	(1,355.35)	8,061.36	5,663.00	(2,398.36)
Oxygen	3,559.50	2,086.00	(1,473.50)	25,334.40	14,602.00	(10,732.40)
Incontinence Supplies	8,248.33	8,503.00	254.67	67,287.19	59,521.00	(7,766.19)

Champaign County Nursing Home
Actual vs Budget Statement of Operations

06/30/12

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Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Pharmacy Charges - Insurance	2,550.00	3,962.00	1,412.00	52,569.29	27,734.00	(24,835.29)
Operational Supplies	12,138.47	24,006.00	11,867.53	102,678.59	168,042.00	65,363.41
Pharmacy Charges-Medicare	8,725.00	15,505.00	6,780.00	88,622.18	108,535.00	19,912.82
Medical/Dental/Mental Health	1,600.00	1,057.00	(543.00)	11,200.00	7,399.00	(3,801.00)
Professional Services	21,806.69	11,666.00	(10,140.69)	117,070.04	81,662.00	(35,408.04)
Job Require Travel				486.78		(486.78)
Laboratory Fees	1,712.68	2,116.00	403.32	13,673.19	14,812.00	1,138.81
Equipment Rentals	2,319.30	3,677.00	1,357.70	26,174.27	25,739.00	(435.27)
Dues & Licenses		19.00	19.00	270.00	133.00	(137.00)
Conferences & Training	129.00	362.00	233.00	2,785.85	2,534.00	(251.85)
Contract Nursing Services	35,478.25	73,854.00	38,375.75	361,657.86	516,978.00	155,320.14
Medicare Medical Services	839.60		(839.60)	48,739.38		(48,739.38)
Medical/ Health Equipment				2,671.30		(2,671.30)
Total Nursing Services	514,984.52	539,824.00	24,839.48	3,702,492.58	3,778,768.00	76,275.42
Activities						
Reg. Full-Time Employees	11,673.68	12,677.00	1,003.32	101,860.81	88,739.00	(13,121.81)
Overtime	347.05	33.00	(314.05)	578.31	231.00	(347.31)
TOPS - Balances	(716.58)		716.58	(5,653.13)		5,653.13
TOPS - FICA	(54.82)		54.82	(432.47)		432.47
Social Security - Employer	908.87	972.00	63.13	7,647.43	6,804.00	(843.43)
IMRF - Employer Cost	1,196.37	1,279.00	82.63	10,072.42	8,953.00	(1,119.42)
Workers' Compensation Insurance	645.59	643.00	(2.59)	5,628.73	4,501.00	(1,127.73)
Unemployment Insurance	492.40	267.00	(225.40)	4,292.71	1,869.00	(2,423.71)
Employee Health/Life Insurance	2,262.59	3,650.00	1,387.41	18,694.14	25,550.00	6,855.86
Operational Supplies	141.52	271.00	129.48	1,600.15	1,897.00	296.85
Professional Services	124.70	122.00	(2.70)	872.90	854.00	(18.90)
Conferences & Training		72.00	72.00	486.00	504.00	18.00
Total Activities	17,021.37	19,986.00	2,964.63	145,648.00	139,902.00	(5,746.00)
Social Services						
Reg. Full-Time Employees	11,611.20	17,649.00	6,037.80	79,867.09	123,543.00	43,675.91
Temp. Salaries & Wages	2,111.31		(2,111.31)	5,684.89		(5,684.89)
Overtime	18.48	166.00	147.52	2,319.21	1,162.00	(1,157.21)
TOPS - Balances	412.70		(412.70)	3,582.53		(3,582.53)
TOPS - FICA	31.57		(31.57)	274.06		(274.06)
Social Security - Employer	1,036.78	1,362.00	325.22	6,492.43	9,534.00	3,041.57
IMRF - Employer Cost	1,151.66	1,854.00	702.34	7,985.54	12,978.00	4,992.46
Workers' Compensation Insurance	758.77	901.00	142.23	4,730.91	6,307.00	1,576.09
Unemployment Insurance	306.41	178.00	(128.41)	3,192.30	1,246.00	(1,946.30)
Employee Health/Life Insurance	2,211.90	2,433.00	221.10	13,536.00	17,031.00	3,495.00
Books, Periodicals & Manuals				349.00		(349.00)
Operational Supplies	40.99		(40.99)	40.99		(40.99)
Professional Services	124.70	119.00	(5.70)	1,524.10	833.00	(691.10)
Conferences & Training		79.00	79.00	724.00	553.00	(171.00)
Total Social Services	19,816.47	24,741.00	4,924.53	130,303.05	173,187.00	42,883.95
Physical Therapy						
Reg. Full-Time Employees	4,560.97	4,517.00	(43.97)	30,564.97	31,619.00	1,054.03
Overtime	0.12	16.00	15.88	22.59	112.00	89.41
TOPS - Balances	(224.68)		224.68	1,700.63		(1,700.63)
No Benefit Full-Time Employees	(389.76)		389.76			
TOPS - FICA	(17.19)		17.19	130.09		(130.09)
Social Security - Employer	343.62	346.00	2.38	2,362.25	2,422.00	59.75
IMRF - Employer Cost	452.31	472.00	19.69	2,956.73	3,304.00	347.27
Workers' Compensation Ins.	252.24	229.00	(23.24)	1,689.53	1,603.00	(86.53)

Champaign County Nursing Home
Actual vs Budget Statement of Operations

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Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Unemployment Insurance	172.38	89.00	(83.38)	1,349.45	623.00	(726.45)
Employee Health/Life Insurance	1,122.20	1,216.00	93.80	7,690.40	8,512.00	821.60
Professional Services	35,862.03	35,209.00	(653.03)	230,450.69	246,463.00	16,012.31
Total Physical Therapy	42,134.24	42,094.00	(40.24)	278,917.33	294,658.00	15,740.67
Occupational Therapy						
Reg. Full-Time Employees	2,786.01	2,311.00	(475.01)	15,273.88	16,177.00	903.12
TOPS - Balances	(7.43)		7.43	207.44		(207.44)
TOPS - FICA	(0.57)		0.57	15.86		(15.86)
Social Security - Employer	182.64	176.00	(6.64)	1,068.91	1,232.00	163.09
IMRF - Employer Cost	240.42	232.00	(8.42)	1,505.71	1,624.00	118.29
Workers' Compensation Ins.	132.49	117.00	(15.49)	842.85	819.00	(23.85)
Unemployment Insurance	114.36	44.00	(70.36)	707.85	308.00	(399.85)
Employee Health/Life Insurance	561.10	608.00	46.90	3,845.20	4,256.00	410.80
Professional Services	32,782.68	40,095.00	7,312.32	220,410.98	280,665.00	60,254.02
Total Occupational Therapy	36,791.70	43,583.00	6,791.30	243,878.68	305,081.00	61,202.32
Speech Therapy						
Professional Services	10,423.52	13,229.00	2,805.48	74,432.71	92,603.00	18,170.29
Total Speech Therapy	10,423.52	13,229.00	2,805.48	74,432.71	92,603.00	18,170.29
Food Services						
Reg. Full-Time Employees	40,438.01	40,685.00	246.99	275,790.26	284,795.00	9,004.74
Reg. Part-Time Employees	2,150.42	622.00	(1,528.42)	16,543.96	4,354.00	(12,189.96)
Overtime	1,999.14	993.00	(1,006.14)	10,742.40	6,951.00	(3,791.40)
TOPS - Balances	(455.79)		455.79	2,505.96		(2,505.96)
TOPS - FICA	(34.87)		34.87	191.71		(191.71)
Social Security - Employer	3,373.62	3,236.00	(137.62)	22,519.71	22,652.00	132.29
IMRF - Employer Cost	4,440.83	4,259.00	(181.83)	29,676.17	29,813.00	136.83
Workers' Compensation Insurance	2,394.55	2,140.00	(254.55)	16,139.81	14,980.00	(1,159.81)
Unemployment Insurance	1,844.45	1,025.00	(819.45)	13,490.83	7,175.00	(6,315.83)
Employee Health/Life Insurance	7,275.10	10,950.00	3,674.90	49,840.20	76,650.00	26,809.80
Food	40,657.85	33,994.00	(6,663.85)	266,075.24	237,958.00	(28,117.24)
Nutritional Supplements	3,984.54	2,996.00	(988.54)	23,967.71	20,972.00	(2,995.71)
Operational Supplies	6,450.33	3,823.00	(2,627.33)	28,772.77	26,761.00	(2,011.77)
Professional Services	2,542.22	2,951.00	408.78	17,507.11	20,657.00	3,149.89
Equipment Rentals	404.95	372.00	(32.95)	2,746.00	2,604.00	(142.00)
Dues & Licenses		13.00	13.00	80.00	91.00	11.00
Conferences & Training				1,418.92		(1,418.92)
Total Food Services	117,465.35	108,059.00	(9,406.35)	778,008.76	756,413.00	(21,595.76)
Barber & Beauty						
Reg. Full-Time Employees	4,829.44	4,748.00	(81.44)	31,244.95	33,236.00	1,991.05
Overtime	0.24		(0.24)	27.90		(27.90)
TOPS - Balances	(272.20)		272.20	650.86		(650.86)
TOPS - FICA	(20.82)		20.82	49.79		(49.79)
Social Security - Employer	324.36	363.00	38.64	1,763.73	2,541.00	777.27
IMRF - Employer Cost	426.96	478.00	51.04	2,384.05	3,346.00	961.95
Workers' Compensation Insurance	267.02	240.00	(27.02)	1,720.47	1,680.00	(40.47)
Unemployment Insurance	227.72	89.00	(138.72)	1,416.60	623.00	(793.60)
Employee Health/Life Insurance	1,122.20	1,216.00	93.80	7,690.40	8,512.00	821.60
Operational Supplies	216.41	89.00	(127.41)	917.42	623.00	(294.42)
Total Barber & Beauty	7,121.33	7,223.00	101.67	47,866.17	50,561.00	2,694.83
Adult Day Care						
Reg. Full-Time Employees	14,459.47	15,661.00	1,201.53	91,146.22	109,627.00	18,480.78

Champaign County Nursing Home
Actual vs Budget Statement of Operations

06/30/12

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Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Temp. Salaries & Wages	362.73	294.00	(68.73)	552.72	2,058.00	1,505.28
Overtime	77.17	8.00	(69.17)	374.53	56.00	(318.53)
TOPS - Balances	294.71		(294.71)	2,315.53		(2,315.53)
TOPS - FICA	22.54		(22.54)	177.14		(177.14)
Social Security - Employer	1,126.38	1,221.00	94.62	6,820.29	8,547.00	1,726.71
IMRF - Employer Cost	1,446.13	1,577.00	130.87	8,928.13	11,039.00	2,110.87
Workers' Compensation Insurance	819.71	807.00	(12.71)	5,062.71	5,649.00	586.29
Unemployment Insurance	229.37	267.00	37.63	3,622.14	1,869.00	(1,753.14)
Employee Health/Life Insurance	2,773.00	3,650.00	877.00	16,944.60	25,550.00	8,605.40
Books, Periodicals & Manuals		31.00	31.00	180.70	217.00	36.30
Gasoline & Oil	93.71	1,137.00	1,043.29	7,118.46	7,959.00	840.54
Operational Supplies	34.42	44.00	9.58	247.51	308.00	60.49
Conferences & Training	78.40	89.00	10.60	228.40	623.00	394.60
Automobiles, Vehicles				(15.85)		15.85
Total Adult Day Care	21,817.74	24,786.00	2,968.26	143,703.23	173,502.00	29,798.77
Alzheimers and Related Disord						
Reg. Full-Time Employees	24,825.81	30,941.00	6,115.19	158,091.28	216,587.00	58,495.72
Overtime	8,192.26	7,976.00	(216.26)	78,516.74	55,832.00	(22,684.74)
TOPS - Balances	291.41		(291.41)	2,604.85		(2,604.85)
No Benefit Full-Time Employees	23,651.48	13,902.00	(9,749.48)	152,839.85	97,314.00	(55,525.85)
No Benefit Part-Time Employees	14,700.51	6,703.00	(7,997.51)	90,651.56	46,921.00	(43,730.56)
TOPS - FICA	22.29		(22.29)	199.27		(199.27)
Social Security - Employer	5,426.60	8,015.00	2,588.40	35,992.87	56,105.00	20,112.13
IMRF - Employer Cost	7,143.21	5,994.00	(1,149.21)	47,463.56	41,958.00	(5,505.56)
Workers' Compensation Insurance	3,493.70	3,011.00	(482.70)	22,186.63	21,077.00	(1,109.63)
Unemployment Insurance	1,848.35	1,187.00	(661.35)	18,386.49	8,309.00	(10,077.49)
Employee Health/Life Insurance	3,347.20	5,954.00	2,606.80	23,982.60	41,678.00	17,695.40
Operational Supplies				460.26		(460.26)
Dues & Licenses		18.00	18.00		126.00	126.00
Conferences & Training		315.00	315.00	1,413.72	2,205.00	791.28
ARD - Contract Nursing	12,758.00	6,145.00	(6,613.00)	55,119.81	43,015.00	(12,104.81)
Total Alzheimers and Related Disorders	105,700.82	90,161.00	(15,539.82)	687,909.49	631,127.00	(56,782.49)
Total Expenses	1,275,658.00	1,269,761.00	(5,897.00)	8,798,747.39	8,888,327.00	89,579.61
Net Operating Income	(133,504.42)	(106,440.00)	(27,064.42)	(839,206.95)	(745,080.00)	(94,126.95)
NonOperating Income						
Local Taxes						
Current-Nursing Home Operating	86,119.00	86,120.00	(1.00)	602,833.00	602,840.00	(7.00)
Total Local Taxes	86,119.00	86,120.00	(1.00)	602,833.00	602,840.00	(7.00)
Miscellaneous NI Revenue						
Prior Period Adjustment				32,548.70		32,548.70
Investment Interest	98.42	42.00	56.42	728.83	294.00	434.83
Restricted Donations	100.00	334.00	(234.00)	3,598.05	2,338.00	1,260.05
Total Miscellaneous NI Revenue	198.42	376.00	(177.58)	36,875.58	2,632.00	34,243.58
Total NonOperating Income	86,317.42	86,496.00	(178.58)	639,708.58	605,472.00	34,236.58
Net Income (Loss)	(47,187.00)	(19,944.00)	(27,243.00)	(199,498.37)	(139,608.00)	(59,890.37)

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Champaign County Nursing Home
Balance Sheet

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ASSETS

Current Assets

Cash

Cash	\$905,621.93
Petty Cash	\$300.00
Total Cash	<u>\$905,921.93</u>

Rec., Net of Uncollectible Amounts

Accts Rec-Nursing Home Private Pay	\$712,460.74
Accts Rec-Nursing Home Med Adv/ HMO/ Ins	\$708,573.76
Total Rec., Net of Uncollectible Amounts	<u>\$1,421,034.50</u>

Rec., Net of Uncollectible Amounts

Accts Rec-Nursing Home Hospice	\$113,874.71
Allowance for Uncollectible Accts-Private Pay	(\$12,932.00)
Allowance for Uncollectible Accts-Patient Care P	(\$2,323.00)
Allowance for Uncollectible Accts-Patient Care H	(\$309.00)
Total Rec., Net of Uncollectible Amounts	<u>\$98,310.71</u>

Accrued Interest

Property Tax Revenue Receivable	\$66,167.60
Total Accrued Interest	<u>\$66,167.60</u>

Intergvt. Rec., Net of Uncollectibl

Due from Collector Funds	\$419.53
Due from Other Governmental Units	\$348,892.38
Due from IL Public Aid	\$1,135,182.33
Due from IL Department of Aging-Title XX	\$78,961.07
Due from US Treasury-Medicare	\$538,970.41
Due From VA-Adult Daycare	\$9,749.06
Due From VA-Nursing Home Care	\$56,893.09
Allowance for Uncollectible Accts-IPA	(\$17,564.00)
Allow For Uncollectible Accts-IL Dept Of Aging	(\$545.00)
Allowance for Uncollectible Accts-Medicare	(\$10,258.00)
Allowance For Uncollectible Accts-VA Adult Day C	(\$76.00)
Allowance for Uncollectible Accts-VA Veterans Nu	(\$443.00)
Total Intergvt. Rec., Net of Uncollectibl	<u>\$2,140,181.87</u>

Prepaid Expenses

Prepaid Expenses	\$125,868.38
Stores Inventory	\$20,473.27
Total Prepaid Expenses	<u>\$146,341.65</u>

Long-Term Investments

Patient Trust Cash, Invested	\$8,550.38
Total Long-Term Investments	<u>\$8,550.38</u>
Total Current Assets	<u>\$4,786,508.64</u>

06/30/12

Champaign County Nursing Home
Balance Sheet

2

Fixed Assets

Nursing Home Buildings	\$23,194,982.13
Improvements not Buildings	\$463,525.63
Equipment, Furniture & Autos	\$1,299,601.05
Construction in Progress	\$21,338.95
Accumulated Depreciation-Land Improvements	(\$199,023.83)
Accumulated Depreciation-Equipment, Furniture, &	(\$717,837.10)
Accumulated Depreciation-Buildings	(\$3,135,008.51)
Total Fixed Assets	<u>\$20,927,578.32</u>
Total ASSETS	<u><u>\$25,714,086.96</u></u>

06/30/12

Champaign County Nursing Home
Balance Sheet

3

LIABILITIES & EQUITY

Current Liabilities

A/R Refunds	\$0.50
Accounts Payable	\$2,083,968.36
Salaries & Wages Payable	(\$56,458.15)
Interest Payable - Bonds	(\$1,917.17)
Due to General Corporate Fund	\$333,141.98
Due to Others (Non-Government)	(\$143.58)
Tax Anticipation Notes Payable	\$344,256.36
Total Current Liabilities	\$2,702,848.30

Non-Current Liabilities

Nursing Home Patient Trust Fund	\$8,550.38
Bonds Payable	\$3,235,000.00
Accrued Compensated Absences	\$392,589.70
Total Non-Current Liabilities	\$3,636,140.08
Total Current Liabilities	\$6,338,988.38

Equity

Retained Earnings-Unreserved	\$19,559,755.37
Year To Date Earnings	\$14,841.58
Contributed Capital	\$0.00
Total Equity	(\$199,498.37)
Total LIABILITIES & EQUITY	\$19,375,098.58
	\$25,714,086.96