

**Board of Directors
Champaign County Nursing Home (CCNH) –Minutes
Urbana, Illinois
July 11, 2016**

Directors Present: Emanuel, Anderson, Hodson, Sutton

Directors Absent/Excused: Banks, Cowart

Also Present: Snider, Gima, Noffke, Reed, Drake, Nolan

1. Call to Order

The meeting was called to order at 6:00 p.m. by Chair Emanuel.

2. Roll Call

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

3. Approval of Agenda

The agenda was approved as distributed (motion by Anderson, second by Sutton, unanimous).

4. Approval of Minutes

The open session minutes of June 13, 2016 were approved as distributed (motion by Anderson, second by Sutton, unanimous).

5. Public Participation

David Laker encouraged the board to find a solution for the nursing home's financial problems and commented that progress has not been made on key issues facing the nursing home. Mr. Laker noted that the community needs the nursing home as a resource and that the board of directors needs to figure out a way to make things work.

Mary Schultz showed support for Mr. Laker's comments and noted that the nursing home is an important resource to the community. Ms. Schultz asked what progress is being made to serve hot food to residents and if any progress is being made to redesign the kitchenettes for steam tables. Ms. Schultz noted a problem with communication between staff members and residents, and asked if there is anything residents and family members can do to help alleviate communication issues. Additionally, Ms. Schultz noted that the quantity of Medicaid beds in the nursing home is necessary and she is willing to pay more taxes in order to support the nursing home's operations.

6. Communications

Ms. Emanuel shared the minutes of the Family Council Meeting of June 21st with the board of directors.

Mr. Sutton reported that he met with Gary Winschel on June 14th to discuss accounts payable at the nursing home. Mr. Sutton provided the board with a handout detailing accounts payable at the nursing home and noted the report is based upon mid-month numbers provided by Mr. Winschel.

Mr. Sutton noted that the nursing home currently owes Champaign County approximately \$500,000, which is about 6 months outstanding. Additionally, the nursing home has outstanding accounts with therapy providers, staffing agencies, medical supply companies and pharmacies. Mr. Sutton

summarized that the nursing home currently has approximately \$2.5 million in outstanding bills; he noted that this is not the total amount outstanding and only reflects bills that are less than 6 months outstanding.

Mr. Sutton asked if any vendors are currently charging penalties or interest for outstanding bills. Mr. Gima confirmed. Mr. Sutton asked if outstanding bills that are incurring penalties and interest are paid with priority over bills that are not incurring penalties or interest. Mr. Gima noted that bills are paid in the priority of oldest to newest. Mr. Sutton asked for the range of penalties and interest rates that outstanding bills are incurring. Mr. Gima noted that he was unsure. Mr. Sutton asked if older outstanding bills have not been paid due to items on the bill that are in dispute. Mr. Gima noted that he was unsure.

Mr. Anderson asked if interest rates on outstanding bills are higher than 4%. Mr. Gima noted that interest rates may be anywhere between 10% and 15%. Mr. Anderson asked why the nursing home owes the County approximately \$500,000. Mr. Gima noted that approximately \$500,000 includes payroll taxes and charges for auditing and IT services.

7. Adult Day Care Manager Report – Amber Reed

Ms. Reed reported that she has been at the nursing home for three years and has a background in social services with certifications in dementia coordination and activities. Adult day care specializes in activities for those who are at risk for entering the nursing home. Many of the people Ms. Reed provides services to have cognitive impairments, but many people are healthy and use adult day care as a way to get out of the house. Ms. Reed focuses on keeping people active through exercise and activities and going on outings at the beginning of each month.

Adult day care currently provides services to about 13 people per day and about 90% of those who attend adult day care are transferred into long term care facilities. An hourly rate has been offered to remain competitive in the local market. Additionally, three full time CNA's provide bathing services for adult day care and transportation services are provided for any type of adult day care customer.

Mr. Anderson asked where Ms. Reed would like the program to be in five years. Ms. Reed noted that she would like to increase community outreach efforts and capture people who are waiting lists for other facilities in the area. Ms. Anderson asked how many more people adult day care can accommodate. Ms. Noffke noted that capacity for adult day care is 40 people.

Ms. Hodson asked if adult day care's census is limited by the Medicaid/Medicare restrictions. Ms. Reed confirmed, but noted that the program is growing.

Ms. Emanuel commented that the nursing home's adult care program and the services it provides are unique to Champaign County. Ms. Reed confirmed and noted that beyond exercise, activities, outings, CNA services and transportation services, adult day care is able to help with a variety of additional needs of the aging population such helping with bills and medical applications.

Mr. Anderson asked for the cost of the adult day care program. Ms. Reed noted that the hourly rate is \$15 for up to three hours, \$54.50 for four to five hours and \$82 for a full, 10-hour day.

Mr. Gima noted that approximately \$100,000 has been generated in revenue from adult day care since May 2016 with expenses totaling approximately \$80,000. Additionally, Mr. Gima noted that adult day care at the nursing home is unique because the program accepts early-stage dementia patients. Further marketing efforts will be explored to expand the program.

8. Chairman Update on Nursing Home Tax Levy

Ms. Emanuel reported that the Champaign County Board requested additional information before making a decision on the Board of Director's recommendation to increase the property tax levy for nursing home operations. The Champaign County Board asked for more information to be provided about the nursing home's financial projections and capital plan. The County Board also asked the Board of Director's to develop a plan to education about the community about the issues at the nursing home and why they believe the tax increase is justifiable. Ms. Emanuel will provide the financial projections and capital plan to the County Board at their August meeting.

9. Management Report

a. Management Report

Mr. Gima reported that four CNAs are hired and will begin work within the week with an additional five or six CNAs beginning the coming weeks. An internal PRN pool has been developed for staff members who are willing to pick up additional shifts in order to alleviate problems with open positions.

Mr. Anderson asked how many Assistant Director of Nursing positions are at the nursing home. Mr. Gima reported that there are two Assistant Director of Nursing positions. Mr. Gima asked how many Director of Nursing positions are at the nursing home. Mr. Gima reported there is one open and vacant Director of Nursing position at the nursing home with an interim director in place while applications are being accepted for the open position. Mr. Anderson asked if the interim director is an internal staff member or an agency staff member. Mr. Gima explained the interim director is from a professional recruiting agency and currently lives in Indiana. The interim director has stated that she will remain as interim director until the Director of Nursing position is filled. Mr. Anderson asked what progress has been made to fill the position. Mr. Gima noted that the applications the nursing home has received have not been of adequate or appropriate quality for the position. Mr. Anderson asked if having an interim director is more expensive than filling the position. Mr. Gima confirmed. Mr. Anderson asked how much more expensive it costs to have the interim in place rather than a full-time employee. Mr. Gima noted that is approximately 15% to 20% more expensive. Mr. Anderson asked how long the position has been open. Mr. Gima noted that the position has been open since March.

Mr. Sutton asked for an explanation in regards to the Medicare 30-day readmission rate and why the nursing home's average readmission rate is higher than the national average. Mr. Gima noted that it is caused by a number of reasons including errors in medical and nursing oversight. Root-cause analysis is completed on every readmission and problems are handled internally.

Mr. Gima highlighted the updates to quality measures that used in the nursing home's quality rating. The board reviewed pages 34 and 35 of the agenda packet. Mr. Gima summarized that with the new quality measures, reimbursement for services will be based on a facilities quality measures.

b. Cash Update

Mr. Gima reported a positive net income of approximately \$67,000 for the month of May. Future improvements in cash flow and acceleration of vendor payments will influenced by increasing occupancy at the nursing home and working to expedite the Medicaid applications as much as possible. Four hundred and forty six conversions days in May is a good sign of improving cash and more conversion are expected in June.

Mr. Anderson asked if it is possible to obtain a loan to pay off outstanding invoices that are collecting interest and penalties. Mr. Gima noted that because the nursing home is an entity of a governmental body, the management company is unable to obtain a loan.

c. Dietary

Mr. Sutton asked for an explanation as to why additional food service positions have become vacant and why a new dietary manager is being hired. Mr. Gima explained that a new dietary manager will begin in mid-August, but the team is remaining the same. The new manager will be an additional team member to three food service supervisors that are already in place.

Mr. Sutton asked why food services have been short on day-to-day workers. Mr. Gima noted that food services are currently at full staffing levels; however, there are problems with workers not showing up to their shifts.

Mr. Gima reported that management is still waiting for construction estimates to be returned in regards to redesigning the kitchenettes and installing steam tables. Ms. Noffke noted that Champaign County Facilities will complete as much work as possible, but highly specialized portions of the project will need to be hired out for completion.

d. State Budget Update

Mr. Gima reported that the temporary state budget did not impact Medicaid provider payments. The impact on payments is not known, but the spending is being covered by taking money from special funds, which should mean that Medicaid payments should continue based on the existing consent decrees.

e. Managed Care

Mr. Gima reported that changes to managed care programs at the state level do not have significant impacts on the Central Illinois region.

11. Other Business

a. Compliance Update – Josh Drake

Mr. Drake reported that the compliance audits he completed in the last three months included employee screenings, care plans, discharges, kickbacks and billing.

12. Next Meeting Date & Time

The next meeting date and time for the monthly Nursing Home Board of Directors is Monday, August 8th, 2016 at 6:00 p.m.

13. Adjournment

Chair Emanuel declared the meeting adjourned at 7:53 p.m.

Respectfully submitted:
Brian Nolan
Recording Secretary