

**Minutes
Operating Board of Directors
DeKalb County Rehab & Nursing Center
January 9, 2012**

Present: Directors: Bannon, Klein, Nielsen, Shepard
Absent Directors: Anderson, Casella, Deverell
Also Present: Gima, C. Anderson

Vice Chair Klein called the meeting to order at 7:05 am.

The agenda was approved.

The September and November minutes were reviewed and approved.

Old Business: None

New Business

Management Report:

Gima introduced Andrew Buffenbarger. Andrew has been with MPA for the past 3 years as the Administrator of Champaign County Nursing Home. He is now working at MPA and will be transitioning into the Manager of DCRNC. Gima will be transitioning to the Manager of Champaign County Nursing Home. Both moves will occur later in 2012.

Occupancy fell from 93 percent in September to 90 percent in October. ADC fell from 177 to 171 during this time. Medicaid jumped from 98 to 110 residents and private pay fell from 47.6 to 36 during the same period due to a retroactive adjustment of private pay to Medicaid – approximately 430 days. Medicare census fell from 31 to 25. This resulted in the Medicaid payor mix to jump from 56 percent to 64 percent.

The September YTD income statement was reviewed. Net income was \$987k. Revenues totaled \$10.4 million and revenues are \$10.3 million. IGA and other non-operating revenue total \$801k.

The cash position has improved with the receipt of the IGT and ARRA checks totaling \$1.94 million. This brings the cash balance up to \$3 million. In late December, DCRNC also received a Medicaid payment for July services totaling \$243,500. The timing of additional payments is not known. The cash balance is projected to increase to \$3.5 million by the end of February as we continue to get caught up on Medicare billing. If Medicare is current as of April, cash will then begin to decline without future Medicaid payments.

MPA discussed the criteria for expedited Medicaid payments. County homes have to show “no cash in the bank.” DeKalb currently does not qualify but MPA will be submitting a request for expedited payments monthly. Without regular Medicaid payments, DCRNC will eventually get on the expedited list.

In the past week, the Governor’s office has publicly stated a need to cut Medicaid rates by 9 percent. There is a high probability of additional payment delays along with a rate cut. MPA is currently seeking a political solution to end payment delays for county nursing homes with our current discussions with the Governor’s office. These efforts are not focused on holding off the rate cuts.

The State of Illinois is also working with the Illinois Financing Authority to develop a Medicaid Vendor Payment program. The state would “sell” its’ Medicaid receivables to a lending institution, giving Medicaid providers a dollar for dollar payment on its’ outstanding Medicaid receivables. The lending institution would in turn receive the 1% monthly prompt payment penalty. The development of this program has been in the works for many months with no indication of an estimated completion date.

Next Meeting: March 14, 2012 at 7:00 a.m.

Meeting adjourned at 8:05 a.m.

Respectfully submitted.

Scott Gima
Recording Secretary