

**Board of Directors
Champaign County Nursing Home
Urbana, Illinois
December 12, 2011**

Directors Present: O'Shaughnessey, Hambrick, Anderson, Czajkowski, Nudo, Emanuel

Directors Excused: Hambrick

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. Chair O'Shaughnessey officially welcomed Cathy Emanuel to the Nursing Board of Directors.

3. Agenda & Addendum

On motion by Nudo (second Palinkas) the agenda was approved as submitted (unanimous).

4. Approval of Minutes

The open session minutes of November 14, 2011 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. Election of Vice-Chairperson

On motion by Czajkowski (second Nudo), Palinkas was elected Vice-Chair (unanimous).

b. Management Report: Operations and Short-Term Financing

Schuette presented a brief summation of his transition as Administrator. The management team appears to be getting and has been forthcoming in providing insight into the operating history and culture of CCNH. CCNH is now in its window for the Annual Licensing Survey by IDPH and preparations are well under way.

Extended discussion ensued about the latest round of customer satisfaction scores, which dipped in October. Communication issues of several types need to be better.

One of the objectives for fiscal year ending 11-30-2011 was for CCNH to incur no citation under F323 -- Accidents & Supervision. That goal was achieved and represents a significant accomplishment.

Scavotto summarized the operating results for October, which involved a small operating gain of \$10k, and summarized the outlook for November. Census has remained above the target level of 195; November closed with an ADC of 201.1. For November, the Medicaid mix was 54 percent, which is a few points lower than prior months and a positive sign. Pvt Pay was 38 percent where prior months came in at approximately 35-36 percent.

Low Medicare census and revenues remain the biggest factors in improved financial performance. The internal Medicare statistics have deteriorated; the per diem is down due to the rate cut imposed on October 1 and the overall Medicare census is down from last year. The use of observation days at the local hospitals is having an impact on census. (With observation days, the resident is never formally admitted to the hospital and the required 3-day hospital length-of-stay is not met.)

Management continues to pursue short-term financing, particularly revenue anticipation notes. Several meetings with local banks have been scheduled. At the same time, management continues to explore a political solution that would extend favorable payment status to County homes.

As of Dec 12 2011, \$895 in Medicaid reimbursement representing payments for Jul-Aug-Sep has been received. Approximately \$850k in tax anticipation warrants are due to be issued and \$1.9 million of IGT funds are due in, perhaps as early as this week. Still, access to short-term credit remains a priority as payment slowdowns will return in FY 2012.

Scavotto presented a detailed cash flow schedule showing changes from Nov 30 2010 and also provided an updated schedule depicting the Sources & Uses of Anticipated Funds given the current payment and timing information.

8. Other Business

None

9. Next Meeting Date

Monday January 9, 2012, 6 pm.

10. Adjournment

Chair O'Shaughnessey declared meeting adjourned at 7:00 pm.

Respectfully submitted

Michael A. Scavotto
Recording Secretary