

Minutes
Operating Board of Directors
DeKalb County Rehab & Nursing Center
May 13, 2009

Present: Directors Andersen, Klein, Casella, Turner, Dillman

Absent Directors: Kloster

Also Present: Scavotto, Bockman, C. Anderson

Chair Casella called the meeting to order at 7:00 am.

A quorum was established and the agenda was approved as submitted (Motion Andersen (second Dillman, unanimous).

The minutes were approved as submitted (Motion Klein, Turner, unanimous)

Old Business: None

New Business

Management Report: Scavotto reviewed operations and the expected results for April. April is predicted to show a loss similar to March, perhaps with the final loss being somewhat less than March. Year-to-date thru March, the operating loss is \$(64)k. The loss is directly related to significant revenue declines in Medicare and Private Pay. Medicaid volume is up 10.5 percent over the same period last year. Medicare is down (14.7) percent and Private Pay is down (16.4) percent over the same period. Management is taking advantage of the downturn in Private Pay to capture more Medicare market share.

Scavotto and Anderson provided an update on AFSCME negotiations.

Potential Director candidates were recommended for the existing vacancy (Ubl): John Boise, Bob Wildenrad, and Marcia Wilson. Scavotto will follow-up and contact to ascertain interest.

Scavotto provided a brief update on intensified compliance efforts relating to industry regulation. The compliance plan is being updated and will be ready by the next meeting. DCRNC will be experiencing a change in its compliance officer due to retirement and there are new standards such as Red Flags (identity theft) that are being incorporated into the plan.

Next Meeting: July 15, 2009

Meeting adjourned at 7:45 AM. (Motion Klein, second Andersen, unanimous).

Respectfully submitted.

Michael Scavotto
Recording Secretary