

**Minutes
Operating Board of Directors
DeKalb County Rehab & Nursing Center
January 19, 2011**

Present: Directors: Anderson, Klein, Shepard
Absent Directors: Casella, Wilson
Also Present: Gima, C. Anderson, R. Bockman

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

The agenda was approved.

The November minutes were approved.

Old Business: None

New Business

Management Report:

Gima reviewed the monthly statistics through November. Census remains high. November showed an increase in Medicare. For the year, Medicare and Private pay census is higher compared to 2009.

Financials for October 2010 are not available due to the MDI software issues and turnover in the accounts payable position.

Gima and Anderson updated the Board on the status of contract negotiations.

Gima provided an update of the new Medicare Rehab Director, Dr. Sheila Khanna. Feedback from residents, families and staff has been very positive and will be a tremendous asset to our Medicare program. Kish Hospital's elective orthopedic surgery program was reviewed. It could result in a decrease in Medicare orthopedic referrals to DCRNC as Kish will emphasize home discharges. Gima hopes that the addition of Dr. Khanna will increase Medicare admissions enough to offset any losses of elective orthopedic cases.

There is no progress on IGA discussions with the State.

The nursing tax legislation was reviewed with the committee. DCRNC's bed tax will increase by 433%, from \$104,000 to over \$400,000 annually. The tax also provides for an increase in the Medicaid rate for all nursing homes. DCRNC may receive additional revenue to offset the increased tax, but no information from the State has been provided to verify.

Gima reviewed the Deficit Reduction Act rules that have been proposed by the Department of Health and Family Services. The new rules impose penalties against seniors who gift money for any reason during the five-year lookback period. The proposed rule eliminates a forgiveness factor that will impose financial penalties at the time of admission. The result will result in no Medicaid payment to a facility for a period of months depending on the size of the "gift."

The proposed rules require review by the Joint Committee on Administrative Rules. The DRA rules was tabled in January and may be put on JCAR's February agenda. The Affordable Assisted Living Association has been pushing for a reform of the rules. Life Services Network has recently joined in opposition of the rules. If the rules are passed in its' current draft version, Homes that take Medicaid will could see loss of Medicaid revenue.

Committee members discussed possible appointments to the two open seats on the Operating Board. No recommendations were made.

Next Meeting: March 23, 2011

Meeting adjourned at 8:30 AM.

Respectfully submitted.

Scott Gima
Recording Secretary