

Minutes
Operating Board of Directors
DeKalb County Rehab & Nursing Center
March 23, 2011

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

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

Gima requested the addition of collective bargaining to the agenda, which was approved

The January minutes were approved.

Old Business: None

New Business

Management Report:

Financials for October and November 2010 were reviewed. Gima provided background on the change in the accounts payable position and the status of the internal review that is currently being conducted to review both the cash and accounts payable general ledger accounts in advance of the County auditors and Medicare/Medicaid auditors review. As a result of the review, there may be minor changes to either revenues or expenses but no significant adjustments are anticipated.

Net income in October was \$68,706 and \$86,562 in November. However, the net income includes over \$80,000 in IGT monies that were booked in October and another \$80,000 that was included in November. These are monies that are still owed by the State to DCRNC. Gima believes that these monies will be paid based on direct communications made with Kelly Cunningham, with HFS. There is a tentative completion deadline in June.

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 a possible change in the nursing home bed tax. The State of Illinois still needs to get Federal approval of the new bed tax. We are hearing that it will difficult if not impossible to get the Federal government to agree to increase their Medicaid contribution with the new tax. The State may introduce new legislation that will increase the bed tax by less than \$3 per day, which less than 50 percent of the original bed tax. However, the tentative legislation, there will be no increase in the nursing home Medicaid rate. Therefore there is a potential for our operating costs to increase by approximately \$200,000 with no revenue increase to offset it.

Gima reviewed the Deficit Reduction Act rules that have been proposed by the Department of Health and Family Services. In a recent public hearing, HFS understands that nursing homes will be negatively impacted by the new rules but HFS is currently unwilling to make changes to the rules.

Gima and Anderson updated the Board on the status of the collective bargaining agreement negotiations.

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

Two new Operating Board members have been appointed by the County Board – Russell Deverell and Jana Whelan.

Next Meeting: May 11, 2011 at 7:00 a.m.

Meeting adjourned at 8:00AM.

Respectfully submitted.

Scott Gima
Recording Secretary