

**Minutes**  
**Operating Board of Directors**  
**DeKalb County Rehab & Nursing Center**  
**May 11, 2011**

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

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

The agenda was approved.

The March minutes were approved.

**Old Business:** None

New Business

**Management Report:**

The Medicare statistics were reviewed including the averages for 2009 (18.1) and 2010 (22.8). The current Medicare census is 30.

Financials for December 2010 were reviewed. The year-end books were closed and the audit review was completed. Without proof from the Department of Healthcare and Family Services, the inter-governmental revenue of over \$1 million will not be reflected in the audited statements. The audit will show a net loss of approximately \$800,000 for the year.

The county homes continue to wait for resolution on the inter-governmental agreement. HFS continues to communicate resolution of the issue by June.

Gima updated the Board on the status of contract negotiations.

Gima updated the Board on the status of the nursing home bed tax. The State is waiting for Federal approval or denial of the tax. There is no timetable for a decision from CMS.

Gima reviewed the current status of legislative action on the Governor's proposed 6% cut in Medicaid rates effective July 1, 2011. A rate cut is being anticipated. Gima also discussed the proposed payments for SNFs for the 2012 federal fiscal year which begins on October 1, 2011. CMS has proposed two options, a 1.5% increase or a 11.3% decrease in Medicare payment rates. We now face a real possibility of a Medicare rate cut in addition to a proposed Medicaid cut.

**Next Meeting:** July 13, 2011 at 7:00 a.m.

Meeting adjourned at 7:50 a.m.

Respectfully submitted.

Scott Gima  
Recording Secretary