

Minutes
Operating Board of Directors
DeKalb County Rehab & Nursing Center
March 13, 2013

Present Directors: Deverell, Bannon, Klein, Nielsen, Whelan

Absent Directors: Casella

Also Present: C. Anderson, Buffenbarger, Hanson

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

The agenda was approved.

The January 2013 minutes were reviewed and approved.

Old Business: None

New Business

Management Report

Buffenbarger reviewed that census dipped during the last two months of FY2012 but has rebounded during the first quarter. The year-end census total was lower than preferred with an annual average daily census of 171.4. DCRNC prefers a census of at least 175. The payor mix closely matched our budget with Medicare at 14.8%, Medicaid at 60.4%, and Private Pay at 24.7%. This is a healthy payor mix for DCRNC.

Buffenbarger reported that the pharmacy transition occurred as planned on March 1st to Alliance Pharmacy.

Buffenbarger reported the compliance audit is underway. The process starts with a baseline assessment of DCRNC's compliance level, to include a review of policies, procedures, and employee training by Margaret Scavotto, MPA General Counsel. Once the policy and procedure needs are identified, Margaret will assist with updates, employee and Board training, and compliance program development. The entire process should be complete by the end of the year.

Buffenbarger discussed a recent enforcement action against Momence Meadows in IL. The action highlights the new enforcement process and our need for a strong compliance program.

Buffenbarger and Anderson reported that a recent anonymous letter alleging a HIPAA breach was received. DCRNC will have the investigation handled by a private law firm specializing in HIPAA investigations and reports.

Buffenbarger discussed the need for legal support for DCRNC collection activities. Prior to Mr. Klein's participation on the Board, a firm in which he was a partner provided legal

support for DCRNC collections. Mr. Klein is no longer a partner at that firm but remains of counsel. The Board voted to permit DCRNC to use a law firm with which Mr. Klein is not affiliated to avoid the appearance of impropriety. Buffenbarger agreed to find a local firm and report back to the Board regarding the selection at the next meeting. Of note, the selection of a firm must be approved by the State's Attorney.

Next Meeting: May 8, 2013 at 7:00am

Meeting adjourned at 7:45 a.m.

Respectfully submitted,

Andrew Buffenbarger
Recording Secretary